

Report # 103

Business and Politics in Muslim World

South East Asia

Tatheer Zahra Sherazi
16 January to 22 January

(Outline)

Summary Indonesia

- **Economic Front**
- Government signed an agreement with oil companies from Malaysia to bring Pipeline GSR for Timor-Leste
- Indonesian minister optimistic to achieve oil output target
- Indonesia considers delaying implementation of China-ASEAN FTA
- Indonesia: IMF urges Asian countries to continue aid
- 26 Indonesian ports ready for China imports
- Indonesia: Economic growth 'to hit 7 percent in 2012'
- Indonesian economy to be more resilient in 2010: economist
- FTA to benefit Indonesia in long term
- Indonesian president says to cut unemployment to 5%, poverty to 8% in 2014

- **Political front**
- Military pressure will not force us to negotiate – rebel leader
- **Social front**
- Eight killed, 13 missing in flash floods
- Extend aid to non-Muslim divorcees too
- **Environmental Front**
- Indonesia's minister discloses plans to achieve emission reduction targets by 2020

Malaysia

- **Political Front**
- 9/11 was staged: Dr M
- **Economic Front**
- Malaysia committed to Asean-China FTA
- Najib Invites Indian Firms To Invest In New Economic Model
- China-ASEAN FTA to boost Malaysian palm oil export
- Malaysia and the growing importance of India
- More banking licences, privatisation to boost economy
- **Social Front**

- Malaysia: More Rhetoric Than Reality on Human Rights
- **Environmental**

Philippine

- **Political Front**
- Philippines: Government confident of peace deal with MILF
- Philippine frontrunner promises no new taxes if he is elected
- Estrada confident of victory in polls
- **Economic Front**
- Philippine economy among least free in Asia: study
- **Social Front**
- Clear policy will attract support, MILF says
- Govt making efforts to bring minorities into mainstream: PM
- PHILIPPINES: New database to highlight IDP needs
- PHILIPPINES: Muslim youth work towards peace in Mindanao
- Philippines: Toll Of Media Workers Killed Rises
- Filipino militant killed in Jan 14 drone attack in Waziristan
- Human rights: China, Philippines and attacks on religious minorities
- **Environmental front**

Thailand

- **Political Front**
- EC rejects meddling charges against PM
- Thaksin ends defence with harsh condemnation of ASC
- **Economic Front**
- Thai economy set for 3.5% growth
- HSBC, KDB and Thai lender in bid race for Siam City Bank
- THAILAND: Hino builds engine plant in Thailand
- Thailand to restart petrochemical projects
- Investment interest in Thailand soars to 40-yr high
- Thailand may supply poultry to Russia to replace U.S. imports
- Thailand's AIS plans \$335m expansion
- CIMB Thai posts profit for FY09
- **Social Front**
- 1,500 defence volunteers to be recruited
- Migrant workers given deadline warning
-

Cambodia

- **Political Front**
- Thai fugitive ex-premier Thaksin ends third Cambodia visit
- **Foreign Relations**
- U.N. special rapporteur to make second visit to Cambodia
- **Geo-Strategic Front**
- **Economic Front**
- Cambodian PE firm Leopard Capital closes first fund on \$34m
- Thai Khon Kaen to open first Cambodian sugar mill next week

- **Social Front**
- Cambodia donates \$50,000 for quake-stricken Haiti

Singapore

- **Political Front**
- Singapore takes over Nato anti-piracy mission
- **Economic Front**
- Germany, Singapore top World Bank trade logistics survey
- Singapore exports jump by 26.1%
- Tiger Airways raises \$178 million from popular IPO
- **social Front**
- **Environmental Font**

Vietnam

- **Political Front**
- China, Vietnam mark 60th anniversary of diplomatic ties
- China, Vietnam to embrace new developments in cooperation: Chinese ambassador
- US vets return to see grim legacy of Vietnam War
- Japan eyes Vietnam's nuclear market
- Kuwaiti diplomat discusses broader cooperation with Vietnamese official
- Australia urges Vietnam to finish airline investigation
- U.S. Ambassador Michael Michalak Deeply Troubled by Conviction of Four Activists By Vietnam Court
- **Economic Front**
- Vietnam to Start Marketing \$1 Billion Bond
- Vietnam aims for strong telecom industry
- Tadiran Telecom Deploys IP Telephony at Leading Vietnamese Commercial Bank
- Motorola gets \$70m contract to expand Vietnam's GSM network
- S.Korea's Taekwang to build \$4.5 bln plant in Vietnam
- Australia, UK to help Vietnam maximize WTO benefits
- Phillips Carbon to set up \$50 mln plant in Vietnam
- Vietnam may post 7.5 pct growth in 2010, fund manager says
- **Environmental Font**
- **At social Front**

Laos

- **Foreign Relations**
- **Social Front**
- **Economic Front**
- Central Bank to adjust interest rate
- Tax collection beats Q1 target 17.3 percent
- Vietnam company to build hydro power plant in Laos

Brunei

- **Economic Front**
- Only 30% Bruneians Engaged in Business

Detailed News Monitoring Report

Indonesia

- **Government signed an agreement with oil companies from Malaysia to bring Pipeline GSR for Timor-Leste**

The Government of Timor-Leste, decided to sign agreement with oil companies of Malaysia for cooperation whose objective is to bring Pipeline Greater Sun Rise (GSR) for Timor-Leste. The visit of former PM on days (December 10-11), bringing Malayu entrepreneurs to invest in Timor-Leste, signed the MOU's between the Government of Timor-Leste and Malayu companies such as: Company Kencana HL SDN (KHL), IBEX Company Cooperation and Janar Amalgamated Resources SDN BHD.

In high-level contacts between the Government of Timor-Leste and representatives of companies Petrokimia and Petronas of Malaysia, which had access to the Journal, "The Government is looking for a company alternative to exchange with Woodside to explore the possibility to bring the Pipeline GSR for Timor-Leste. "The Malaysia has demonstrated its commitment to assist Timor-Leste, in technical-scientific stand, to bring the Pipeline GSR for Timor-Leste .

Companies such as Petronas and Petrokimia will support Timor-Leste in all aspects, besides the technical and scientific vector , are also ready to create infrastructure for oil rigs, training human resources in the oil and natural gas. And to help create the company's Oil and Gas Timor-Leste. Timor-Leste also approached the company KOGAS of South Korea, the largest purchaser of gas in the world, which is also ready to support the Government Timor-Leste, in the technical-scientific stay in the areas of Oil and Gas have claimed will help Timor-Leste to build the LNG in Timor-Leste.

The Australian Government, through the company Woodside has developed their utmost to bring the Pipeline GSR for your country, mainly to northern Australia. By Woodside has sought to weaken the State of Timor-Leste in the negotiations. Official sources said this, Woodside, is a company that is increasing its budget to develop extra activities such as support groups in Timorese society to weaken the Timorese state, favoring the interests of Australia and Woodside. As a last resort, you can try to feed the political and military crisis to create instability in Timor-Leste!

<http://easttimorlegal.blogspot.com/2010/01/government-signed-agreement-with-oil.html>

- **Sukarno's son announces bid for party's top post**

Indonesian founding president Sukarno's son Guruh Soekarnoputra announced Saturday (January 16) his bid for the Indonesian Democratic Party of Struggle's (PDI-P) top job, which may lead him to a possible showdown with the incumbent and elder sister Megawati Soekarnoputri.

Guruh shrugged off the possible battle between siblings, telling his supporters who gathered at his residence on Jl. Sriwijaya Raya in South Jakarta that he was out to join the race in April.

He said his nomination was driven by his concern about the party's poor performance in the last two elections and his aim to restore the party's past glory.

"The party's votes dropped from one election to another, which indicated something had gone wrong with the party. We have to fight for changes and resist a status-quo," he said.

Guruh, who is a noted artist, said Megawati as his sister had given him her blessing.

<http://www.asianewsnet.net/news.php?id=9624&sec=1>

- **Government to pursue agrarian reforms**

President Susilo Bambang Yudhoyono says the government will speed up land reforms by providing the public with greater access to land, and acquire more agricultural land to improve Indonesia's rice production.

"I'd like agrarian reforms with a plus, by which the public can acquire land. I expect this will be carried out by the National Land Agency *BPN* and local administrations," Yudhoyono said Friday in Marunda, near the East Canal Flood area in North Jakarta.

The President was launching the government's Strategic Land Program for the People's Justice and Prosperity. During the launch he also handed over 1.53 million land certificates to the public.

Yudhoyono said the planned issuance of new government regulations was part of the government's first-100-day program to speed up agrarian reforms launched a few years ago.

According to research conducted by the Agriculture Ministry, Indonesia has 11.6 million hectares of farming land, 7.6 million of which is irrigated. The report suggests Indonesia needs another 11.8 million hectares of farm land by 2030 to meet the projected national demand for 59 million tons of rice.

Of the country's total 190 million hectares of land, 101 million hectares is suitable for agriculture without creating a damaging ecological imbalance. At present, 64 million hectares is used for farming, the report says.

Former agriculture minister Anton Apriyantono said many farmers did not own their own land, and most worked as casual laborers for larger farm businesses during the harvest season.

Anton also said farmers had to spend large amounts to obtain land certificates. Yudhoyono urged the BPN to act quickly in creating an inventory of unclaimed land, which the BPN said estimates to amount to around 7.3 million hectares.

"Manage unclaimed land, settle land disputes and speed up the ongoing land certification process," Yudhoyono instructed the BPN.

"Improve the government's service to the people. Larasita *the People's Service for Land Certification* is a primary program. Come to the people, don't wait until the people come to you," he added.

Through the Larasita program, the BPN will provide cars and motorboats to reach residents of remote and isolated areas, such as the Thousand Islands.

BPN head Joyo Winoto said the agency would soon be able to resolve more than 3,500 land disputes. Jakarta Governor Fauzi Bowo said 69 percent of the property in Jakarta had

no land certification. "Jakarta administration and the BPN plan, over the next three years, to speed up the certification of all property belonging to residents and the government." Yudhoyono said within his first 100 days in office (before Jan. 31) the government would issue a regulation on dormant land.

He also said the government would work to stop speculators, who could cause losses to original landowners and the government when land was needed for development.

The government plans to speed up its infrastructure projects to spur economic growth to between 6.3 percent and 6.8 percent per year over the next five years.

<http://www.thejakartapost.com/news/2010/01/16/government-pursue-agrarian-reforms.html>

- **Military pressure will not force us to negotiate – rebel leader**

Rebel leader Abdel Wahid Al-Nur condemned last week attacks by the Sudanese government in Jebel Marra and North Darfur adding such military pressure would not force his group to join the negotiating table.

The Sudan Liberation Army led by Abel Wahid Al-Nur (SLM-AW) last week took the control of Gulu in Jebel Marra in south Darfur saying it meant to stop repeated attacks and bombing by the Sudanese army. Also the government troops attacked rebel positions in Fruk in North Darfur killing 18 people as the assault occurred during the crowded market day. Al-Nur rejects to join the peace talks asking the government to disarm its militias and to create suitable conditions for the return of the displaced civilians to their homeland. Recently he hailed the Qatari support to the ongoing efforts led by the Chief mediator to end the conflict, urging Doha to convince the government to stop bloody violence.

Our struggle is mainly motivated by will to protect their life and to provide them security, this why we have been asked international community to stop the genocide in Darfur, he said.

He further said the international community has still to stop the violence in western Sudan if it seeks genuinely to end conflict there. Darfur mediation will hold direct talks between the government and rebel groups in Doha on January 24. Different rebel factions said ready to take part in the peace process, however the Justice and Equality Movement said it wants the chief mediator to limit the talks to the main groups who refused to sign Abuja peace agreement in 2006.

The Sudanese government said it might reconsider its position from the peace process if no agreement is reached till April, the date of the general election in the country.

- **Indonesian minister optimistic to achieve oil output target**

Indonesian Coordinating Minister for Economy Hatta Rajasa said on Tuesday that he was optimistic that the country could achieve oil production target of 965,000 barrel per day this year due to starting of production in some new wells and raising of outputs in some other wells.

Indonesian minister optimistic to achieve oil output target Indonesia's economy grows at 4.3-4.4% in 2009

Therefore, the government would not revise the production target of 965,000 barrel per day at the state budget, amid the soaring global oil price which has reached over \$78 for a barrel.

Some new oil fields developed by foreign firms such as Cevron and ExxonMobil have started new production and the output have been predicted to rise this year. Hatta said that the rise on production was expected to overcome the natural decline on the country's oil production. "There are some (fields) have started production, and the production keep increasing," he said. Indonesia's oil output has been dwindled due to aging wells and lack of new investment.

Raising energy demand of around 10 percent annually has led Indonesia become net oil importer since February 2008 and then exited from OPEC.

http://www.chinadaily.com.cn/world/2010-01/19/content_9345136.htm

- **Indonesia considers delaying implementation of China-ASEAN FTA**

Indonesia has said it will soon discuss with China its plan to delay the implementation of the China-ASEAN Free Trade Agreement (FTA) which came into effect on January 1 this year.

President Susilo Bambang Yudhoyono said his government has to protect the interests of its people, but at the same time does not want to be seen as to renegade on the agreement which was first mooted in Indonesia.

The Indonesian leader stressed that Jakarta will continue to cooperate with ASEAN and its other partners.

The Indonesian parliament has called on the Yudhoyono administration to delay and renegotiate the China-ASEAN FTA after fears that the agreement may hurt local industries. Indonesian lawmakers have listed 15 local industries that needed to be protected, including footwear, textile, and food and beverages.

They have given the government six months to take the necessary steps in addressing the issue.

There are fears that Southeast Asia's largest economy could see thousands of citizens lose their jobs if local companies cannot compete with cheaper Chinese products entering into Indonesia.

Indonesia's Trade Ministry has already informed the ASEAN Secretary-General of its intention to renegotiate.

<http://www.channelnewsasia.com/stories/southeastasia/view/1032257/1/.html>

- **Indonesia's minister discloses plans to achieve emission reduction targets by 2020**

Indonesia's Environmental Minister Gusti Muhammad Hatta disclosed here on Thursday that the cost, amount of emission reduction and sectors expected to contribute significantly to the government's emission reduction target initially set at 26 percent and 41 percent with the help of foreign assistance by 2020.

Gusti told local media that his ministry has formulated the action plans to achieve the carbon emission targets issued by President Susilo Bambang Yudhoyono in G20 meeting last year.

He said sectors that would be worked on to reduce Indonesia's emission would be comprised of Energy, Transportation Industry processes, Agriculture, Forestry, Waste and Peatland. "Forestry and peat land would be the most significant sectors expected to reduce the emission rate," Gusti said, adding that the reduced emissions in the two sectors expected to reach 0.392 Gt (Giga Tons) and 0.280 Gt respectively.

With 26 percent reduction target scenario, reaching emission reduction at those levels in the two sectors by 2020, it would cost Indonesia some 30.4 trillion rupiah (about 3.3 billion U.S. dollars) for forestry and 16.5 trillion rupiah (about 1.7 billion U.S. dollars) for peatland.

Meanwhile, under the 41 percent reduction target scenario, the minister said that with help of foreign funds, the government would be able to add the emission reduction by 0.310 Gt and 0.057 Gt in forestry and peat land sectors respectively by 2020.

In total, he said, the Indonesian government needs to allocate 83.3 trillion rupiah (about 8.9 billion U.S. dollars) to finance its 26 percent emission reduction target by 2020.

Meanwhile, with the help of foreign funds, the 41 percent emission reduction target scenario would cost some 168.25 trillion rupiah (about 18.1 billion U.S. dollars), Gusti said.

<http://english.people.com.cn/90001/90777/90851/6875770.html>

- **Indonesia: IMF urges Asian countries to continue aid**

The International Monetary Fund warned crisis-affected countries in Asia against reducing their economic stimulus measures despite signs of recovery. Speaking during an economic forum in Hong Kong, IMF managing director Dominique Strauss-Kahn said that an early exit from the stimulus policy could backfire, if these countries failed to maintain the momentum of their economic recovery.

“At the end of the day, if you exit too early, you’ll have a risk of a downturn ... as the tools will have already been used,” he told participants during the opening of the 2010 Asian Financial Forum on Wednesday. “Now is the time for Asia to contribute even more to the shaping of the post-crisis global economic landscape.” Potentially, this is a historic moment for Asia — a moment of transformation,” he said, referring to the year 2010.

Strauss-Kahn also said many Asian countries were already “moving rapidly to identify the key elements of a new model that can deliver sustained growth.”

The executive chairman of the China Centre for International Economic Exchanges, Wang Chunzheng, shared Khan’s view, saying it would be inappropriate to end economic stimulus now. “We cannot talk about an exit strategy at this moment,” he said.

Wang said that both developed and developing nations should instead improve coordination and cooperation in order to find more effective solutions to better shape the global economy.

<http://www.adnkronos.com/AKI/English/Business/?id=3.0.4222640577>

- **26 Indonesian ports ready for China imports**

The Indonesian government has selected 26 ports of the total 725 ports nationwide to anticipate surging import from China following the implementation of the Asean-China Free Trade Agreement (ACFTA) starting on January 1, 2010, reported Bisnis Indonesia.

Director of Port and Dredging at the Directorate General of Sea Transportation at the Ministry of Transportation Suwandi Saputro explained ports chosen were commercial ports under the management of state port operator Pelindo I, II, III, and IV.

"Pelindo supervises 111 ports and we will pick 25 ports plus another one, namely Batam port. The hub-and-spoke ports are not included in the preparation for the ACFTA," he said.

Secretary to the Directorate General of Sea Transportation Bobby Mamahit revealed ports prepared were major ports, first-class ports, and several second-class ports in strategic locations.

"Around 26 ports are ready for the ACFTA. Four major ports will definitely be picked, but there are also some second-class ports, but only those in strategic locations. Before the free trade with China, the ports have actually been ready," he said.

He explained the 26 ports were chosen based on the joint minister decree on the ACFTA. Some of the ports are Tanjung Priok (Jakarta), Makassar, Belawan (Medan), Tanjung Perak (Surabaya), Batam, Banjarmasin, Balikpapan, and Bitung ports.

<http://www.cargonewsasia.com/secured/article.aspx?id=3&article=21698>

- **Eight killed, 13 missing in flash floods**

EIGHT people were killed and 13 are missing after flash floods smashed through villages in Indonesia's Southeast Sulawesi province, officials say.

The powerful waters were unleashed after the Rante Limbong river overflowed and rushed through five villages in Kolaka Utara district late Thursday, health ministry crisis centre chief Rustam Pakaya told AFP yesterday. "Our latest data from local officials is that eight bodies have been found and 13 people went missing," he told AFP, adding that at least 16 houses were swept away.

Spokesman for the national disaster management centre, Priyadi Kardono, said rescuers were struggling to get to the villages. "It's hard to reach the affected area... roads are cut off and the communication access is so difficult," he told AFP.

He said the floods had displaced 2,000 people who were now sheltering in local administration office buildings. Start of sidebar. Skip to end of sidebar. End of sidebar. Return to start of sidebar.

Floods and landslides are common in Indonesia, which is densely populated and prone to frequent heavy rain.

<http://www.theaustralian.com.au/news/breaking-news/eight-killed-13-missing-in-flash-floods/story-fn3dxity-1225822740279>

- **Indonesia: Economic growth 'to hit 7 percent in 2012'**

Indonesia's recovery is on track, and its economic growth is expected to reach 7 percent in 2012, according to the London-based Standard Chartered Bank. The bank predicts 5.5 percent economic growth this year.

"Growth this year may accelerate further to 5.5 percent," Gerard Lyons, Standard Chartered's chief economist and group head of global research, said on Monday, adding that Indonesia had been a strong performer amid the global recession last year.

Lyons said domestic demand would be the key driver to growth in Asia while exports would likely have a "very weak rebound". He warned that a "combination of capital inflow and firm domestic demand could bring inflation to Asia".

Tai Hui, Standard Chartered Bank's head of research for the Southeast Asia region, said Indonesia's central bank might hike rates earlier than its peers because of accelerating inflation.

Bank lending, the main source of domestic investment, is estimated to grow this year by 20 percent, according to data from the central bank. This is even higher than the 15 percent target set by the central bank.

<http://www.adnkronos.com/AKI/English/Business/?id=3.0.4214070938>

- **Indonesian economy to be more resilient in 2010: economist**

With its Gross Domestic Product (GDP) growth estimated to be at 5.5 percent and global economic recovery probable in 2010, Indonesian economy would become more resilient, a senior economist said here on Tuesday.

Taimur Baig, a senior economist at the Germany-based Deutsche Bank, said that backed by sustainable economic growth and strong domestic financial market, Indonesia has been relatively immune from the impacts of global financial crisis in 2009.

Citing the Deutsche Bank's research result, he predicted that Indonesia's economic growth would reach 4.3 percent, spurred largely by domestic consumption growth.

He added that Indonesia's economic growth would likely be boosted by investment and trade.

"Augmented by the improving outcomes in agriculture and manufacturing sectors throughout last year, Indonesia would have undoubtedly strong stepping stone to enter 2010," Taimur said.

Taimur also predicted that Indonesia would see inflation rate this year at a range of 4 to 6 percent, which is initially predicted by the Indonesian central bank (BI).

"Appreciation of Rupiah's value and tightening of monetary policy would be major factors to control inflation, so as to keep (inflation) in the BI's estimation rate range," according to Taimur.

Indonesia saw inflation rate below 5 percent last year.

Based on these reasons, Deutsche Bank was convinced that Indonesia would be no longer vulnerable to the impacts of capital outflows like before, he said. With lending rate benchmark estimated to be at 7.5 percent later this year, he predicted that Indonesian banks' loans would grow by 18 percent in 2010, largely contributed by increasing government's spending and infrastructure development.

- **Controversy on Indonesia bank rescue could hamper reform: Moody**

The controversial bailout of a small bank in 2008 could slow reforms in Indonesia whose economy has been recovering, Moody's Investors Service said in a statement here on Thursday.

Indonesian parliament inquiry team has questioned senior officials including two top reformers, Finance Minister Sri Mulyani Indrawati and Vice President Boediono who is former central bank governor, both of them approving the bailout of 6.7 trillion rupiah (some 720 million U.S. dollars).

The credit rating of Indonesia has been on improving supported by strong economic fundamentals. The country is struggling to boost economic growth from the projected 4.3 percent last year to 5.5 percent this year and to create more jobs. Moody said that Indonesia needs to boost foreign currency reserves further and ensure a more stable medium-term inflation performance through structural reforms. "The momentum of reform may slow due to the current parliamentary inquiry on the appropriateness of the bank rescue which involves key ministers on Indonesian President Susilo Bambang Yudhoyono's cabinet," Aninda Mitra, Moody's analyst for Indonesia said in the statement. Moody has recently increased Indonesia's sovereign foreign-currency credit ratings by one notch to Ba2 from Ba3.

President Yudhoyono has cracked down on rampant corruption, created stability and overhauled police, attorney general office and other legal institution since his first term five years ago, which has in turn started to boost investors' confidence. Yudhoyono, who was re-elected on July 8 for his second term, has promised to continue the reforms.

<http://english.people.com.cn/90001/90778/90858/90863/6875764.html>

- **FTA to benefit Indonesia in long term**

The recent free trade agreement (FTA) between ASEAN countries and China will be beneficial for Indonesia in the long term because it will allow the country to import cheaper raw materials from China to build infrastructure, Standard Chartered Bank said.

"In the long run it will be advantageous for the economy," Tai Hui, the bank's Singapore-based economist, said in a forum on Monday. He said China had imported a lot of commodities from ASEAN and following the agreement, Indonesia would be able to buy cheaper materials.

Fauzi Ichsan, the bank's economist in Jakarta, said the agreement would have the greatest impact on the textile, garment and electronics industries. "Without the FTA, they're already affected by the crisis.

"The benefit will outrun the cost," he said. Fauzi said Indonesia needed more infrastructure to spur economic growth. Businesses have often complained that lagging infrastructure causes higher logistics costs.

The government said it would focus on building infrastructure to help reach economic growth of between 6.3 and 6.8 percent over the next five years.

<http://www.thejakartapost.com/news/2010/01/18/fta-benefit-indonesia-long-term.html>

- **Looking forward to healthy banking expansion**

The headquarters of Bank Indonesia on Jl. Thamrin. The central bank has formulated a blueprint for the development of a healthy and strong banking system after the 1997/1998 Asian crisis but some people accuse the bank of failing to supervise Bank Century, which was bailed out by the government during the global economic crisis last year. JP/Anthony Dea

Central: The headquarters of Bank Indonesia on Jl. Thamrin. The central bank has formulated a blueprint for the development of a healthy and strong banking system after the 1997/1998 Asian crisis but some people accuse the bank of failing to supervise Bank Century, which was bailed out by the government during the global economic crisis last year. JP/Anthony Dea

It would be safe to say that these days most Indonesians are familiar with banking. Just look at any ATM and you will find many people standing in line, either to withdraw cash or to make other transactions.

Many banks have branches in small towns and they are currently offering creative and innovative products to customers. These include giveaways that lure many customers. However, the recent Bank Century scandal has shocked many and to a certain extent has made many customers wary as it shows that banks are not totally safe.

The scandal involves the ballooning price of saving the bank from liquidation that cost the state an extra Rp 4.72 trillion (US\$513 million) from the initial estimated cost. This figure is the difference between the Rp 6.762 trillion injected into the bank by the Insurance Deposit Agency and the estimated stock value when the bank has to be divested in 2011.

The government and Bank Indonesia (BI) are being held responsible for the bailout. Apart from questioning the swelling cost of the bailout and the matter of financial

transparency, the House of Representatives is also questioning the legality of saving the bank.

Of course we all appreciate the legislatures' efforts in trying to unravel the mystery behind the Bank Century case so that the public can be fully informed and that such a case does not occur ever again even if there is political pressure.

Whether it has a direct correlation or not, clearly credit or loan provision in 2009 did not expand in a healthy way. This has created a pessimistic atmosphere for 2010.

The situation has been made worse by the impact of the global financial crisis. The crisis has indeed weakened many business sectors in the country. The reduction in investment applications and work capital has reduced banks' provision of loans. Up until October 2009, BI indicated an annual growth of banking loan provision at a mere 5 percent. This is extremely lower than the 2008 figure, which grew 30 percent to Rp 1.307 trillion.

However, according to BI Deputy Governor Muliawan D. Hadad, the condition of the country's bank in 2009 was solid enough as indicated by a number of financial indicators. Although there was pressure in the liquidity of the banks they were still able to get a significant amount of deposits. In October, third party funds grew by 11.3 percent, which was higher than the growth in the provision of loans.

So, how about 2010? Muliawan predicts that national loan provision will grow by 15.42 percent or about Rp 268 trillion.

This is indeed an optimistic outlook. Banks, such as Bank Negara Indonesia (BNI), are not as optimistic. Gatot M. Suwondo, president director of BNI, says that banks can expand their loan provision by 15 percent this year, with loans mostly channeled to meet the needs of the infrastructure, electricity and manufacturing sectors.

Gatot said that the macro economy indicators were not normal yet. "We are not forcing a big expansion this year because the country's economy has not fully recovered," he said. Many business players indeed need bank loans to expand their business amid optimism that the global economy is going to recover.

Finance Minister Sri Mulyani Indrawati has also requested the banks expand their credits in order to support the country's economic development for this year. She said a growth in loan provision would help Indonesia achieve the economic growth target set in the 2010 state budget, which is between 5 and 5.5 percent.

She also reminded that banks should remain healthy so that there should be no liquidity problems.

"If the banks remain healthy and expand their credits or loan provision by more than 15 percent then Indonesia's economy in 2010 will certainly be better," she said in December 2009.

She also added that everyone involved in the banking industry should keep on learning how to maintain the healthiness of banks and to manage them well so that problems do not occur in the future.

Of course a prudent management of banks is the key to avoiding cases like Bank Century. BI has created a blueprint for the development of a healthy banking system, which is called Indonesia's Banking Architecture (API).

This provides direction and guidelines for the banking industry to progress over a period of five to 10 years in the future. The policies formulated in the API are intended to create a solid, healthy and efficient banking system for a stable financial system to support national economic growth.

API, launched on Jan. 9, 2004 as a follow-up to the bank restructuring program launched in 1998, is part of the government and BI efforts to rebuild the country's economy after being devastated by the 1997/1998 Asian economic crisis.

BI keeps perfecting the programs set in the API in an effort to establish a stronger foundation for the country's banking system and in view of new developments at home and in the global economy.

BI wants the API to also incorporate specific strategies to develop sharia banking, People's Credit Bank (BPR) and small and medium enterprises. "The API is expected to include more complete and comprehensive programs that cover general banks as well as BPR, both conventional or sharia, and the development of small and medium enterprises," said Muliaman.

<http://www.thejakartapost.com/news/2010/01/19/looking-forward-healthy-banking-expansion.html>

- **Indonesian president says to cut unemployment to 5%, poverty to 8% in 2014**

Indonesia aimed to reduce its unemployment rate to about 5 percent in 2014, from the current figure of 7.87 percent, on the back of good economic prospects, the country's President Susilo Bambang Yudhoyono said here Monday. President Yudhoyono, who was re-elected on July 8 for his second term, vowed to decrease poverty rate from 14.5 percent now to over 8 percent at the end of his tenure in 2014. "We want the unemployment at the end of 2014 to be no more than 5 or 6 percent,..and poverty rate at the range of between 8 to 10 percent," said Yudhoyono at the State Palace. Indonesia has recovered from the fallout of the global financial routs, which has hit the country's industries and exports, causing massive layoffs. With strong economic fundamentals, the country has registered high economic growth in the region during the crisis, while the others suffered from strong contraction. The Southeast Asia's largest economy's exports have started to improve and is predicted to begin to grow at 5 percent next year as the global demands on emerging markets products are predicted to soar along with the global economic recovery. The global investors appetite on the assets at the emerging market has also recovered, which may push capital inflow.

President Yudhoyono said that the government would attempt to boost exports, consumption, technology, and the government spending would be used accurately. Besides, the government would keep maintaining stability and expecting the global economic would be still favorable.

"To achieve the targets is not easy, but, If we work hard and the national situation is stable and the world does not have any crisis, we will reach the target," he said.

Indonesia has unveiled massive infrastructure program to support the economic growth. http://news.xinhuanet.com/english/2009-12/28/content_12718071.htm

- **Extend aid to non-Muslim divorcees too**

THE first impression I had when the Government said it would provide aid to Muslim divorcees is "unfairness" and I wonder what has happened to our Prime Minister's vision of Malaysia.

It may sound very harsh but this is what other Malaysians feel when government aid is channelled to Muslim divorcees only. Non-Muslims in Malaysia are Malaysians too. They also get married and some end up divorced, leaving the wife stranded without maintenance money for the children by the ex-husbands. How do they survive?

Our tax money can be better used for single mothers via creating jobs for them and subsidising their monthly groceries with special discount cards to be recognised by the hypermarkets. The aid will reach them directly for their daily needs and will assist them at least in basic necessities.

<http://thestar.com.my/news/story.asp?file=/2010/1/17/focus/5482103&sec=focus>

Malaysia

- **Malaysia committed to Asean-China FTA**

The Malaysian government is committed to the regional free trade agreement (FTA) with China that came into force on Jan 1, although some parties have expressed concerns the trade liberalisation agreement would hurt local manufacturers.

“There are some valid concerns expressed by various parties, but the FTAs are just getting into gear and there will be some period of adjustment that needs to take place,” Deputy International Trade and Industry Minister Datuk Mukhriz Mahathir said yesterday.

The Asean-China FTA (ACFTA) came into effect on the same day of the full implementation of the Asean Free Trade Area at the start of the year.

Under the ACFTA, more than 9,000 products imported from China to Malaysia are duty-free while China will reduce tariffs on more than 7,000 products from Asean. Besides manufactured goods, the agreement also covers services and investment.

Last week, Indonesia was reported to have submitted a request to maintain certain tariff lines that were supposed to be cut under the ACFTA to protect certain domestic industries.

Meanwhile, Mukhriz suggested local manufacturers take advantage of the country’s recent trade liberalisation pacts by exploring new business opportunities.

One area that Malaysian businesses could exploit was to “value-add” on imports from China and re-export the products to other countries.

To achieve this, Malaysian manufacturers would need to add at least 40% local content to qualify the product as made-in-Malaysia. “Manufacturers must go beyond repackaging. To remain competitive they need to be able to add significant value to the product,” Mukhriz said. By cutting down on trade barriers, the Government hopes to attract new investments especially in areas of high technology and capital intensive industries. “Competition for foreign direct investment is stiff, and at the same time we want to attract the right investments to make full use of our educated workforce,” Mukhriz told a press conference at the 5th Asia Europe Alliance for paperless trade meeting

<http://biz.thestar.com.my/news/story.asp?file=/2010/1/19/business/5495604&sec=business>

- **Malaysians aware of laws but ...**

Malaysians are aware of the laws but they just do not bother to obey them when making online comments, said Information, Communication and Culture Minister Datuk Seri Dr Rais Yatim.

He said many people assumed the law would not catch up with them. "It is only right to inform the public that if they freely utilise seditious utterances, those comments will be used as the 'meat' for law enforcers to take action," Dr Rais told reporters after launching the Special Affairs Department's national assembly here yesterday.

He said this when asked on whether the public was aware of communication laws since there were many who commented freely on social networking websites like Facebook and Twitter.

<http://thestar.com.my/news/story.asp?file=/2010/1/19/nation/5498404&sec=nation>

- **Call For Pakistan's Businessmen To Be In Malaysian Exhibitions**

Pakistan has called on its businessmen to participate in a big way in upcoming exhibitions in Malaysia so as to promote their high quality and cost-competitive products to Malaysian and overseas buyers.

The call was made by Wajihullah Kundi, commercial counsellor for the Pakistan High Commission here. Among the exhibitions are the International Jewellery Fair from March 3 to 7, International Halal Showcase (MIHAS) from May 12 to 16 and the Malaysian International Food and Beverage Trade Show from July 22 to 24.

Currently, a 10-member business delegation of Pakistan's Rawalpindi Chamber of Commerce and Industry (RCCI) is in Malaysia from Jan 18 to 25 to foster business ties with their Malaysian counterparts. In a statement on Thursday, Kundi said the delegation was meeting with various business entities of Malaysia, representing sectors such as jewelery, computers, garments, textile, food items and general consumer goods.

The objective is to establish business to business contacts and promote bilateral trade in these sectors, he said. The delegation also attended Society for the Advancement of Material and Process Engineering Exhibitions (SAMPE) Asia Expo 2010 on Jan 19 and 20 for business networking, to find new suppliers and learn about new technologies.

<http://www.bernama.com/bernama/v5/newsbusiness.php?id=470054>

- **Malaysia: More Rhetoric Than Reality on Human Rights**

- Prime Minister Seri Najib Tun Razak of Malaysia took office in April 2009 promising to respect "the fundamental rights of the people," but his government has failed to undertake the systematic reforms needed to fulfill that pledge, Human Rights Watch said today in its World Report 2010.

The 612-page report, the organization's 20th annual review of human rights practices around the globe, summarizes major human rights trends in more than 90 nations and territories worldwide. In Malaysia, the report says, instead of addressing persistent human rights problems, the government harasses the political opposition, improperly restricts the rights to peaceful expression, association, and assembly, and mistreats migrants.

"The Malaysian government appears to be more interested in pursuing short-term political advantage than safeguarding rights," said Phil Robertson, deputy Asia director at Human Rights Watch. "In the hopes of maintaining control and power, the government has turned its back on its promises to protect people's rights."

The release of a number of detainees held under the Internal Security Act (ISA) early in Prime Minister Najib's term was a positive development, Human Rights Watch said. But

Parliament should repeal that law and other repressive laws, including the Police Act 1967, which was most recently used to justify a violent crackdown on a citizens' march against the ISA on August 1. Security forces attacked the gathering with tear gas and water laced with chemicals fired from water cannon trucks, and arrested almost 600 people, including 44 children.

Human Rights Watch criticized the government's continuing heavy restrictions on freedom of expression. The Printing Presses and Publications Act 1984 enables government officials to compel censorship of publications through control of printing and distribution licenses. More recently, internet media and bloggers are coming under closer scrutiny as the government, cognizant of the internet's impact in the last general election, tries to rein in non-traditional media.

Malaysian legislation failed to distinguish refugees and asylum seekers from other undocumented migrants and authorized Ikatan Relawan Rakyat (RELA), an ill-trained, abusive civilian force, to use its authority to enter living quarters and make arrests without search or arrest warrants.

Apprehended undocumented migrants are detained under inhumane conditions in immigration detention centers, where several migrants died during 2009 and dozens were sickened by leptospirosis, a disease spread by animal feces in unclean water. The US Senate Foreign Relations Committee produced a report alleging ties between Malaysian deportations and human trafficking gangs at the Malaysian-Thai border, where the lives of deportees were at risk if they could not pay ransoms.

"It is beyond understanding why the Malaysian government delays access to basic medical services for the thousands of migrants locked in cramped, dirty, and disease-ridden conditions," Robertson said. "How many more migrants have to die in detention before Malaysian policymakers wake up?"

Human rights defenders - such as lawyers, journalists, and members of nongovernmental organizations - faced continued harassment and the possibility of arrest, especially if the government considered their work to be connected to opposition political parties.

Malaysia also continues to violate human rights norms by criminalizing adult consensual sexual behavior, as evidenced by the ongoing efforts to bring the parliamentary opposition leader, Anwar Ibrahim, to trial for alleged consensual sodomy in a case that many observers believe is politically motivated.

"For a country that is so proud of its post-colonial political development, it is truly bizarre that the government continues to enforce an antiquated British colonial law against 'sodomy' by consenting adults," said Robertson. "It's about time the government brought its criminal code into the 21st century."

Under pressure from the International Coordinating Committee of National Human Rights Institutions (ICC), the government made slight modifications to the law that established Suhakam, Malaysia's Human Rights Commission. However, Suhakam remained hampered by its status as an advisory committee, without adequate independence for its commissioners or power to compel enforcement of its decisions.

The major recommendations to Malaysia's government in the Human Rights Watch report are:

- * Revoke the Internal Security Act and other arbitrary and preventive detention measures;

* Rescind the Printing Presses and Publications Act, narrowing the definition of sedition and seditious tendency;

* Amend the Police Act to provide for reasonable and negotiated conditions for assembly;

* Abolish RELA and uphold the rights of migrants, refugees, and asylum seekers.

In addition, Human Rights Watch urges ratification of key international treaties, including the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.

"During the early days of his government, Prime Minister Najib talked big on protecting human rights - but talk is cheap," Robertson said. "If the government really believes in its 1Malaysia campaign, then it should demonstrate real commitment to improving respect for the human rights of all Malaysians.

<http://www.hrw.org/en/news/2010/01/20/malaysia-more-rhetoric-reality-human-rights>

- **9/11 was staged: Dr M**

MALAYSIA'S former premier Mahathir Mohamad claimed the Sept 11, 2001 attacks in the United States, which killed nearly 3,000 people, were staged as an excuse to 'mount attacks on the Muslim world'. Speaking at the General Conference for the Support of Al-Quds (Jerusalem) here, Tun Dr Mahathir said killing as an excuse for war is not new to the US. He also argued that Israel was created to solve the 'Jewish problem' in Europe, saying the Holocaust had failed as a final solution against the community.

'In September 2001, the World Trade Center was attacked allegedly by terrorists. I am not sure now that Muslim terrorists carried out these attacks. There is strong evidence that the attacks were staged. If they can make Avatar, they can make anything,' The Malaysian Insider reported Dr Mahathir as saying. The former premier said Israel was created after the Europeans failed to massacre the Jewish community.

'The Jews had always been a problem in European countries. They had to be confined to ghettos and periodically massacred. But still they remained, they thrived and they held whole governments to ransom... Even after their massacre by the Nazis of Germany, they survived to continue to be a source of even greater problems for the world,' said Dr Mahathir, who was noted for his anti-Western and anti-Zionist stand while in power for 22 years, until October 2003.

Dr Mahathir also expressed his disappointment in US President Barack Obama, who marked his first year in office on Wednesday. 'I am a bit disappointed because so far none of his promises has been kept. He promised to get out from Afghanistan but he ended up sending more troops there instead. He promised to close down Guantanamo but he has not closed down Guantanamo.

'It is quite easy to promise during election time but you know there are forces in the United States which prevent the president from doing some things. One of the forces is the Jewish lobby,' he said.

- **Malaysia To Develop New Visa Regime For Indians - Najib**

Malaysia is to develop a new visa regime for easier access to Malaysia for the people of India, said Prime Minister Datuk Seri Najib Tun Razak.

"I'm trying to develop a new visa regime that will really make it easier for Indian nationals, specifically the knowledge workers, businessmen and tourists, who want to

visit Malaysia," he said in an exclusive interview aired on Astro Awani Friday night in conjunction with his working visit to India.

Najib said he had informed the relevant ministries to look into the matter and the new regime could be implemented in the middle of this year.

Commenting on Indians who overstayed in Malaysia, Najib, in jest, said: "I think they like Malaysia so much that they overstay."

"We welcome Indians to visit Malaysia and we like them to enjoy Malaysia. This is a healthy development despite the fact that we have quite a large number of people who overstay. For those who overstay, it is a question of enforcement," he added.

A total of 39,046 Indian citizens were reported "missing" in Malaysia after their tourist visas expired.

On terrorism, Najib said India and Malaysia must work together and share intelligence support to prevent terrorism. Commenting on cultural and religious issues in Malaysia, Najib said Malaysia, bestowed with multi-ethnicity, had to manage differences among the races and maintain goodwill.

In the interview, Najib invited Indian Prime Minister Dr Manmohan Singh to visit Malaysia, saying both countries were scheduled to sign a comprehensive economic cooperation agreement in Kuala Lumpur. "I have a very good rapport with Dr Manmohan Singh, and I am looking forward to working with him. He is a good partner and friend," he said.

- **Najib Invites Indian Firms To Invest In New Economic Model**

Malaysia, which is changing its economic gear to move into a high-value economy, is opening its doors to highly specialised Indian firms to invest in the proposed new economic model.

When addressing captains of industry here Friday, Prime Minister Datuk Seri Najib Tun Abdul Razak said Indian companies were welcomed to participate in Malaysia's new economic model, to be launched in the first quarter of 2010. "The model is intended to shift our reliance from a manufacturing base dependent on semi-skilled and low cost labour to one that focuses on high technology and modern services sectors dependent upon skilled and highly paid workers." "We need to move Malaysia from an upper middle income economy to high income economy by 2020.

"Indian companies focused on R&D (research and development) and D&D (design and development) are welcome to explore and take advantage of opportunities in these areas," he said at the roundtable meeting where the prime minister began his second leg of visit to India. To propel the new economic agenda, Malaysia needs foreign investors strong in high knowledge content industries such as advanced electronics, information communication and technology, machinery and equipment, biotechnology, medical devices and renewable energy.

"Attractive incentives such as pioneer status and investment tax allowances, are offered to companies investing in these areas," Najib added.

Earlier, he witnessed the signing and exchange of 13 memorandum of understandings (MOUs) between Indian and Malaysian companies. Three MOUs signed Friday were between Malaysian Biotech and Dr Reddy's Laboratories Ltd, Malaysian Biotech and Biocon Ltd, and Multimedia Development Corporation and Federation of Indian Chamber of Commerce.

<http://www.bernama.com/bernama/v5/newsgeneral.php?id=470391>

- **China-ASEAN FTA to boost Malaysian palm oil export**

The full implementation of the China-ASEAN Free Trade Area (FTA) is expected to boost the export of Malaysia's palm oil industry, especially to China, a local official said.

Mohd Basri Wahid, director-general of the Malaysian Palm Oil Board (MPOB) told Xinhua in a recent interview at the MPOB head office that the China-ASEAN FTA delivered more positive impact to the industry.

Malaysia exported 3.79 million and 4.03 million tons of palm oil to China in 2008 and 2009, and it was expected to hit 4.5 million tons this year and five million tons in future, Basri said. Basri said that palm oil was categorized as the sensitive product and that its tariff was reduced to nine percent after the full implementation of the China-ASEAN FTA on Jan. 1, 2010.

Although there was no total tariff elimination for Malaysian palm oil, the prevailing tariff rate was much lower than the previous 30 percent, added Basri.

Basri highlighted that lower tariff meant that Malaysian palm oil could be imported by importers from China at a lower price, increasing the competitiveness of the commodity in the huge market there.

Tariff for items categorized in the sensitive list will be reduced to 20 percent by 2012 and zero to five percent by 2018 in the China-ASEAN FTA, Basri said. He also said that China produced an abundance of soy oil, also a type of vegetable oil. If palm oil could be purchased at a lower price, it would be appealing to the customers in China, said Basri.

He also believed that Malaysian palm oil industry players would strive to increase their exports to China. Malaysia became the main palm oil supplier of China in 2002, Basri said, adding that it took up 60 percent of the palm oil market in China. While Indonesia also exported a large amount of palm oil to China, Basri said that China's market was so big that Malaysia would cooperate with Indonesia to meet China's demand, instead of competing with each other. Since the health awareness in China was growing, Basri said the vegetable oil consumption would also rise, adding that the fast-growing economy had also raised purchasing power of China's consumers. When asked about the trend of the palm oil price, Basri said the price was very much market driven. If the demand was high, the price would rise, said Basri, adding that the increase in international oil price would also drive the commodity price up.

Besides crude palm oil and refined palm oil, Malaysia also exported other palm-related products to China, with the medium density fiber board being one of the examples.

Basri also noted that Malaysia also had collaborated with several universities and companies in China to carry out research and development activities on palm oil.

In 2005, Malaysia established the Palm Oil Research and Technical Service Institute in China, aiming to establish closer ties with the oils and fats industry in China. It was also aimed to ensure that China continued to import Malaysian palm oil and allow information on Malaysian palm oil to be effectively disseminated across China. Basri said that while researches were done on the area of food, the non-edible field was also being explored. Malaysia is among the leading palm oil producers in the world. In 2008, Malaysia produced 17.73 million tons of crude palm oil and 17.56 tons in 2009.

For years, Malaysia has been receiving harsh criticism from the West where the latter rapped Malaysia for destroying the tropical rain forests and threatening the lives of endangered species. Basri refuted the claims, stressing that the palm oil industry had been

developed in a sustainable manner throughout the years with no damages made to the environment.

Basri said palm trees were planted on agriculture land and strict rules and regulations were in place, prohibiting open air burning to clear the land for planting. The industry players were also subject to strict licensing procedures, allowing the authorities to monitor the development of the industry, added Basri. On the other hand, Basri said palm oil could be used for the production of biofuel.

In Malaysia, 3,936 vehicles started to use the first generation biofuel consisting of palm oil in February 2009, said Basri.

However, to protect middle- and down-stream industries and to ensure ample supply of food, Basri said the amount of palm oil allocated for fuel production was limited to six million tons in Malaysia each year.

http://news.xinhuanet.com/english/2010-01/13/content_12801965.htm

- **Malaysia and the growing importance of India**

Malaysian Prime Minister Najib Tun Razak's perspective on a new East Asian economic nexus inclusive of India is surely novel.

Malaysia is open to cooperation with India in the maintenance of security along the Straits of Malacca

The issue of overstaying Indian nationals is likely to figure in talks with India. As a major player in the Association of South East Asian Nations (ASEAN), Malaysia is beginning to look upon India as a potentially indispensable partner. The political message is implicit in comments that Malaysian Prime Minister Najib Tun Razak made prior to his five-day visit to India at this time. And, the message is that Malaysia sees India as a potential partner of the 10-member ASEAN itself in reshaping the existing East Asian economic order.

Quite revealing was his answer to a question about the possibility of a new concert of Asian powers consisting of China, India, Japan, and the ASEAN. In an interactive session at his office at Putrajaya, Malaysia's administrative capital, on January 11, Mr. Najib said: "If you extrapolate [the current trends], I think, the first part of the 21st century will be essentially [one] uni-polar [global order]. But, gradually, people will see it as a multi-polar kind of world, in which the growing influence of China obviously [is felt]. The projection is that by 2050 China would be the biggest economy in terms of the size of GDP [Gross Domestic Product] and that India would be following not too far behind. And, we will see the integration of the ASEAN as an economic community with East Asia and also with India. So, I see that kind of a nexus developing as we move on in the 21st century."

The uni-polar order is, of course, shorthand for the primacy of the United States — regardless of how debatable are the views about its current economic decline. And, a multi-polar dispensation is shorthand for a plurality of powers with the perceived strengths to balance each other or act together on a variety of issues.

On India's future role in Malaysia's neighbourhood, Mr. Najib has had this say: "You cannot deny the growing strategic importance of India. I think India will be a major player in strategic terms — all-encompassing [in scope], not only as a fast-growing economy. India will play a very important part in international affairs in the region and

beyond. And, that is why I [have] made India as one of the countries that I will be visiting quite early on after I have taken over [as Prime Minister a few months ago].”

Mr. Najib avoided portraying his vision of a new nexus of economic linkages as a prophecy about the formation of an Asian concert of powers. However, the ongoing global economic crisis has raised the possibility of a new political order in East Asia, home to several players with worldwide interests. Fully cognisant of this, Mr. Najib chose to be cautious about the ideas that might reduce the importance of the U.S. and some of its long-standing allies. Asked whether Malaysia would support the formation of an Asian Monetary Fund (AMF), Mr. Najib said: “We have not made any firm decision yet.”

The Chiang Mai Initiative, which he cited in the same breath, is a currency pool of the ASEAN+3 entity, the +3 countries being China, Japan, and South Korea. In a sense, the pool, which is being enlarged this year to help the members face foreign exchange contingencies, can become the nucleus of an AMF. The unrealised Japanese proposal of an AMF, by this or any other name, is a potential alternative to the West-dominated International Monetary Fund. Aware of such nuances, Mr. Najib spoke about a current move by Malaysia and China to use their national currencies for some aspects of bilateral trade.

However, Malaysia’s central bank officials cautioned against seeing this as a ploy to stop using the U.S. dollar for settling Malaysia’s transactions with China.

These and other niceties of Malaysia’s current world-view reflect the emerging possibilities of a new inter-state order in East Asia that might include India. Any such future order will not be the same as the existing East Asia Summit; just a forum of leaders of the ASEAN and six countries including India. There is a caveat, too, about the potential extent of India’s relevance to and role in East Asian affairs. The behind-the-scenes view in Malaysia’s official circles is that much will depend on whether the ASEAN+3 entity can or will be enlarged to include India. Relevant to this puzzle is also a debate on the long-term capabilities of the U.S. to stay its current course as a global power with a “resident” status in East Asia.

A Harvard professor may have written about the possibility of Americans seeing, at some stage, their Hollywood as a word-play on India’s Bollywood. But India does not equal China in the larger international opinion circles. Indeed, a 2009 treatise from the West traces a scenario of “when China rules the world.” In such a broad sweep of futurology, Mr. Najib’s perspective on the possibility of a new East Asian economic nexus inclusive of India is surely novel.

On the Malaysia-India bilateral front itself, Mr. Najib has given himself space to raise the exiting benchmarks in a measured fashion. He does not see the current level of defence-related cooperation as being sub-optimal in scope. And, he draws a line for possible cooperation with India in the maintenance of security along the Straits of Malacca. Malaysia, Indonesia, and Singapore are the acknowledged littoral states along this intensely-used international waterway. The protection of this sea lane is the “main responsibility [of] the littoral states,” Mr. Najib has emphasised. And, they “are open to any kind of cooperation, as long as it does not undermine the Number One principle” of the littoral states’ responsibility

Malaysia is yet to set its own national goals firmly for space exploration and civil nuclear energy, two possible areas of cooperation with India. In broader economic terms, Malaysia will now seek to “reactivate” the talks on a comprehensive pact with India. On the whole, Malaysia tends to see its ties with India as being virtually irritant-free. Some in India do, of course, regard the “concerns” of the Malaysian Indians and the issue of some “missing” Indian nationals in Malaysia as possible irritants. Mr. Najib’s answer is that his government is indeed “responsive” to the sensitivities of the Malaysian Indians. His government is also addressing the issue of the overstaying Indian nationals in Malaysia, “principally from Chennai.” They are reckoned to stay on in Malaysia for “whatever reason.” And, Mr. Najib has indicated that he would “probably mention” this issue during his prospective talks in India.

On the presence of “illegal Indian workers in Malaysia,” S. Subramaniam, a prominent ethnic-Indian Minister in Mr. Najib’s Cabinet, has cited a figure of 1,50,000. He said: “At one stage, we were giving visa on arrival. But we [have] had to stop it, because too many people were coming in and not going back. That was a facility given to genuine tourists. The number, I am told, is [now] coming down, as wages and opportunities increase in India.

<http://www.hindu.com/2010/01/20/stories/2010012052910900.htm>

- **More banking licences, privatisation to boost economy**

Malaysia is awarding new banking licences and privatising government firms under its new economic plan to boost the economy, its Second Finance Minister said.

In an interview with Reuters yesterday, Datuk Seri Husni Ahmad Hanadzlah said it had already received “dozens of applications” for its second commercial banking licence which it was evaluating. It awarded its first licence to China’s Industrial and Commercial Bank of China, the country’s biggest bank in November. Malaysia was also awarding some Islamic banking licences, he said. Husni also said the Government was privatising 15 to 17 companies and was liberalising some sectors to boost foreign investment. He declined to divulge more details of these plans.

The Government has said it would announce next month a new economic model to boost the economy and Husni said he planned to attract more foreign direct investment from new sources such as China, West Asia and the Middle East. “We have laid out the foundation so far for the new economic

<http://biz.thestar.com.my/news/story.asp?file=/2010/1/22/business/5524289&sec=business>
Election hopefuls urged to address Mindanao question

Philippine

- **Clear policy will attract support, MILF says**

The Moro Islamic Liberation Front is urging candidates running in the May elections to come out with their own stand on how to resolve the decades-old conflict in Mindanao. Mohammad Ameen, chairperson of the MILF Secretariat, said it is vital for candidates vying to become the Philippines’ 15th president to issue their respective stand on an issue affecting Moros who comprise a sizable portion of the country’s population.

"The next president of the Philippines will directly affect the MILF and the current peace process," Ameen was quoted in a report by the MILF's Luwaran website.

An estimated seven million inhabitants of the Philippines are Moros, the majority of them are in Mindanao.

Ameen urged all presidential candidates to come up with a very clear platform on the Moro question and the peace process, explaining that those who have a clear policy to resolve the issue in Mindanao "will be attractive to our millions of supporters or sympathisers."

Credibility

The official also said that with its hundreds of thousands of supporters, the MILF can be a force to be reckoned with in the elections.

He said the MILF has the clout and credibility and capability to mobilise huge numbers of people in any given instance, citing the number of massive consultations it sponsored in the past.

Ameen said that while the Central Committee of the MILF as a general guiding principle, "maintains a "hands-off policy on Philippine elections," it cannot ignore the impact of the May 10 polls on the overall sphere of the Moro question in general, and the 13-year-old government-MILF peace process in particular.

Mass support

Ameen also explained that the MILF policy of non-interference in Philippine elections "does not include preventing its mass supporters from voting in elections especially for those candidates who have pro-people [advocacies] and those who have genuine interest in the peaceful, just, and comprehensive resolution of the conflict and the Moro question in Mindanao."

Moros in Mindanao have been fighting for decades to establish their own distinct entity where they can freely practise their own religion and customs and benefit from the resources of their land.

For decades, Moro areas in Mindanao were mired in poverty due in part to the indifference of the Manila-based leadership and the political manoeuvrings of local and national politicians.

Although there had been peace negotiations with past governments, it is during the administration of present President Gloria Macapagal-Arroyo where substantial ground has been covered in peace negotiations.

Govt making efforts to bring minorities into mainstream: PM

Prime Minister Syed Yusuf Raza Gilani on Friday said the government, in accordance with the vision of Quaid-e-Azam Muhammad Ali Jinnah, is taking steps to bring the minorities into mainstream and to ensure provision of equal rights to them. The prime minister was talking to a delegation of Bishops and Ulemas from Philippines led by Ms. Isabel G. Tobias, Presidential Council on Interfaith Initiatives Philippines, at his Parliament House Chamber.

The prime minister said Islam teaches peace, tolerance and promotes harmony among religions. He said Islam equates killing of one human being to the killing of the whole humanity. He mentioned that all the prominent scholars of Islam and religious leaders had condemned terrorism in all its forms and manifestations.

The prime minister said the Ministry of Minorities, on his directions, has started the process of dialogue with scholars belonging to all religions.

In this connection, he added that district interfaith committees are being set up across the country. Being the front-line state, the prime minister mentioned that Pakistan has paid a heavy price both in terms of blood and property to make the world peaceful and secure.

He said, "We need support from the world community for the capacity building of our law enforcement agencies." The prime minister said an Interfaith Complex, representing all religions would soon be constructed in Islamabad. He also asked the delegation to convey his best wishes to the President of Philippines.

Federal Minister for Minorities Shahbaz Bhatti informed the prime minister that the delegation had signed a historic declaration with the Ministry of Minorities for promoting interfaith harmony.

The delegation appreciated the efforts of the government of Pakistan for fighting extremism and terrorism through strengthening of the institutions for interfaith harmony.

Other members of the delegation included Nabil Tan, Undersecretary and Deputy Presidential Advisor on the Peace Process;

http://www.app.com.pk/en_/index.php?option=com_content&task=view&id=94074&Itemid=38

- **PHILIPPINES: New database to highlight IDP needs**

The government of the Philippines has a new tool to better address the humanitarian needs of thousands of internally displaced persons (IDPs) in conflict-affected Mindanao.

Set up by the International Organization for Migration (IOM) and funded by the European Commission's Humanitarian Aid Office (ECHO), the Humanitarian Response Monitoring System (HRMS) offers a new means to streamline information about the more than 125,000 IDPs now estimated to be living in evacuation centres on the island.

"HRMS is designed to monitor IDP movements, track humanitarian response, and highlight gaps and needs," Ida Mae Fernandez, the IOM Manila regional programme officer, told IRIN on 15 January, noting that in times of disaster, information management was as critical as the immediate and coordinated delivery of aid.

Her comments followed a day after IOM signed an agreement with the Philippine Department of Social Welfare and Development (DSWD) - the lead agency of the government's emergency shelter, camp management and protection cluster - to oversee the new system's management.

In addition to tracking IDP movement, collate information on humanitarian response activities by area as well as by sector, the database has the capacity to store and manage maps.

"We believe that it will complement and enhance our information management capacity in disaster response," said DSWD's assistant secretary Ruel Lucentales.

According to aid workers, one of the biggest challenges is obtaining an accurate assessment of the number of displaced, with government figures and agencies often contradicting each other.

Only 20 percent of Mindanao's displaced are registered in the system at the moment; however, now that the handover is complete, IOM will be working closely with DSWD to register the entire affected population. Once operational, aid agencies will be able to access key demographic information online, such as the number of IDPs at specific

evacuation centres and the number of IDP sites, as well as track who is doing what and where, specific needs and identifying gaps in aid provision.

The system is being piloted in central Mindanao and could subsequently be rolled out in other areas during times of disaster.

<http://www.irinnews.org/report.aspx?ReportID=87742>

- **PHILIPPINES: Muslim youth work towards peace in Mindanao**

With its mosques, colourful buildings and veiled girls going to Madrasa schools, Maharlika village resembles a Mindanao town rather than a Manila suburb.

Established as a government housing project by the National Housing Authority (NHA) in the 1970s, Maharlika village has become a favoured destination in the capital for Muslims fleeing the conflict.

"My family came to Manila to escape war in Maguindanao [province]. Here in Maharlika Village, we are among fellow Muslims," Al-hesam Ebrahim, 19, told IRIN. Ebrahim's parents fled Mindanao years ago. A student of architectural engineering and technology at the Technology University of the Philippines, Ebrahim says, "Years from now, I want to be famous for building houses, bridges and buildings."

But Ebrahim also dreams of returning to Mindanao where many of his relatives remain, their lives marked by constant displacement and uncertainty.

- **4,000 homeless, 1 dead in Manila slum fire**

Fire raced through a slum near the main port in the Philippine capital, leaving 4,000 people homeless and killing a 5-year-old girl, an official said Sunday.

The Saturday-night blaze gutted 500 shanties, which were packed together in a crowded slum along the rim of Manila Bay, some housing two or three families. There were no other reports of deaths or major injuries at the Baseco Compound, Senior Fire Officer Emmanuel Gaspar said.

The 130-acre compound that used to house a shipyard has been ravaged by huge fires before. A 2002 blaze left some 15,000 residents homeless, and a 2004 fire razed shanties of 25,000 people. Tight living conditions at Baseco and other slums allow flames to spread quickly through houses made of light materials.

The cause of the fire, which raged for two hours, fanned by strong winds, is still under investigation, Officer Gaspar said. An Associated Press photographer at the site saw people waiting to be treated for minor injuries, including wounds from glass shards.

Amid the ashes and a few wooden posts that were left of their home, Amorsolo Villamor's family ate their breakfast of rice gruel Sunday morning, unwilling to leave the tiny patch of land where their shanty used to stand.

Mr. Villamor, his wife and three children shared the place with two other families.

He said his family decided to return to their gutted home after running from the flames because they feared that other families may stake a claim to the land if they moved to a nearby village hall that was being turned into an evacuation center.

Gwendolyn Pang, a Philippine National Red Cross official, said the victims were being housed in two evacuation centers within the compound, including a social hall.

Thelsa Biolena, the Social Welfare Department's regional director, said porridge and boxes of noodles for hot soup were distributed to the victims, and more food packs will be distributed on Monday. The Red Cross will also send food Monday, Ms. Pang said.

<http://www.washingtontimes.com/news/2010/jan/17/4000-homeless-1-dead-manila-slum-fire/>

- **Philippines: Government confident of peace deal with MILF**

The Philippine government is confident it can seal a peace deal with the separatist Moro Islamic Liberation Front (MILF) in the next five months, a cabinet official said Saturday. Press Secretary Cerge Remonde said the government is convinced of the rebel group's goodwill and sincerity in peace talks.

"We are confident to have a win-win consensus in the peace agreement. We are very optimistic that a peace pact between the MILF and the government can be signed before the end of the term of President Gloria Macapagal-Arroyo," Remonde said.

At the same time, the palace official said Malaysia plays a key role in the negotiation as the third party.

The MILF, which the Philippine military says has 11,000 fighters, is the largest rebel group battling for self-rule in Mindanao. A final peace agreement is expected to end the more than four decades of Muslim rebellion in the southern Philippines.

http://ionglobaltrends.blogspot.com/2010/01/philippines-government-confident-of.html?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+blogspot%2FzqKG+%28i+On+Global+Trends%29

- **Philippines: Toll Of Media Workers Killed Rises**

Another media worker has been confirmed to be among the 57 victims of the Maguindanao massacre in the Philippines on November 23, according to information received by the International Federation of Journalists (IFJ).

Confirmation that the body of Saksi News photographer Jepon Cadagdagon, 28, was among those killed brings the toll of media personnel killed in the massacre to 32.

Search New Zealand Business

The toll includes 31 journalists and media workers whose bodies were recovered, including Cadagdagon, as well as Reynaldo "Bebot" Momay who remains missing, according to the National Union of Journalists of the Philippines (NUJP), an IFJ affiliate.

The news came as the Philippines media community continues to contend with attacks and intimidation. On January 13, broadcast journalist Albert Loyola was reportedly assaulted by Iligan City Councilor Chonilo Ruiz while conducting a radio show on dxRJ station in Santa Felomina, Iligan City. It is believed Ruiz was angry about a report by Loyola about the local city council budget, for which Ruiz is responsible. Loyola's report referred to allegations that Ruiz had falsely claimed funds allocated to community services for his meals during public hearings.

The assault, which occurred during a live broadcast, was audible to listeners and was recorded by the station. Meanwhile, on January 12, GMA-7 network cameraman Cirilo Renduque and reporter Fabienne Paderes were denied access to Iloilo City's airport tarmac to report on the arrival of President Gloria Macapagal Arroyo because Renduque was said to be wearing inappropriate clothing. The NUJP reports that Renduque, who was wearing a shirt that said "Stop Killing Journalists" and which listed the names of media personnel killed in Maguindanao, was told by security officials he would not be allowed to take footage of the event unless he changed his shirt.

“The violence and intimidation directed against the Philippines media community is unfathomable,” IFJ Asia-Pacific Director Jacqueline Park said.

“The Philippines Government must reverse its failure to protect the professional rights and lives of media workers.”

An international solidarity mission report, prepared by international press freedom organisations that visited the Philippines in December to investigate the Maguindanao massacre, will be released shortly.

- **Joey Salceda is one of President Gloria Arroyo’s economic advisers.**

Joey Salceda is one of President Gloria Arroyo’s economic advisers. He has stood by her through all these years notwithstanding the numerous scandals that have plagued her administration. Yet, somehow Salceda has managed to keep his proverbial nose clean even during his earlier incarnation as a member of the House of Representatives, er, Representatives.

As concurrent governor of Albay, Salceda has shown himself to be an able and creative administrator, employing many of the management techniques that he picked up in an even earlier stint in the private sector as a highly respected financial analyst.

It is because of his track record that Salceda, unlike others in Mrs. Arroyo’s inner circle, is not treated as a pariah whenever he finds himself in the company of the President’s most implacable detractors.

This was exactly the situation he found himself in at the Kapihan sa Sulo last Saturday—sandwiched between opposition leaders JV Bautista and Kit Tatad, both whom are running for senator.

Maybe it’s because Salceda can be quite candid. People still remember his off-the-cuff remark some years back when asked to explain his boss’s staying power. “She’s one lucky bitch” was a Salceda quote that hit the papers—a statement, which he claims sent him to the presidential doghouse for some time, although I doubt it.

At the last Kapihan, Salceda let out another gem when he declined requests for him to comment on the current debate on whether or not Mrs. Arroyo should appoint a replacement for outgoing Chief Justice Reynato Puno. Salceda is such an asset to the administration, thanks to the economic insights that his sponge-like mind can churn out on command. He can rattle off statistics that can—often does—put to shame full-time economists and bean counters. Best of all, he can put together a mish-mash of data, assemble them into a comprehensible whole and explain the entire picture in a manner clear enough for even the most intellectually challenged to grasp.

He was invited to the media forum for a rundown on Mrs. Arroyo’s “legacy.” As expected, he focused almost exclusively on what he called her economic achievements.

Salceda credits GMA with making possible the uninterrupted growth of the gross domestic product by an average of 4.6 percent for 34 quarters, even during the global financial meltdown.

Under Mrs. Arroyo too, he said, the country benefited from low inflation rate and high credit rating, allowing it to borrow funds from overseas at low interest rates.

Salceda also pointed out the ratio of public debt to GDP has been reduced from 17 percent to 7 percent, while foreign debt has dropped from 72 percent of GDP during the Estrada administration to 31 percent now.

“The Philippines is one of only four Asian countries whose economies did not contract during the global crisis,” Salceda pointed out. “Our stock exchange, too, was cited as one of the best-performing bourses during the same period.”

He added: “All this and more prove that Philippine economic policies are working.”

If the country’s economic performance has been so good, Salceda was asked, why then do more Filipinos feel they are poorer now than ever before?

His reply: The country’s population growth rate is just too high. Worse, it is the poor whose numbers are growing fastest.

Salceda claimed that the economy has been able to generate 946,000 new jobs annually since GMA became president—a figure close to her promise of one million new jobs every year.

The problem is, he added, far too many Filipinos join the labor force—at the rate of 3.8 million every year.

A program to trim population growth to manageable levels could have helped, he said, but opposition to the, say, the Reproductive Health bill is just too strong. His *catolica cerrada* boss, for instance, would not even entertain the merest suggestion of population management—whether out of personal conviction or pressure from Church leaders, Salceda did not say.

“The RH bill will never pass,” said Salceda, who noted that even the current crop of presidential candidates have begun to shy away from the issue. If population control is out of the question, he was asked, on what areas then should the next president focus to spur economic growth? Corruption, Salceda acknowledged, is one problem that the Arroyo administration has failed to solve.

He did qualify that the bulk of corruption comes in the form of “revenue leakages,” which account for 70 percent of all the public money that is lost to graft. Salceda estimated that the foregone revenue resulting from the operations of crooks in revenue-collection agencies amounts to P274 billion annually. “That’s bigger than the entire infrastructure program of the national government,” he said.

How can we combat corruption?

“We can begin by doing away with the bank secrecy law coverage of all public officials,” Salceda said. “We should also remove the confidentiality on information pertaining to the real property and other holdings of everyone in government.”

He added: “In fact, we can start now by requiring all those running for office in May to make all their bank accounts and other property available for scrutiny by the public.”

Salceda also said that the next administration needs to impose new taxes, especially on the rich. “The failure of the state to tax the wealthy is one of major reasons for poverty in the Philippines,” he said. He even urged an expansion of the value-added tax, which “only GMA had the guts to press Congress to pass” and which proved to be so unpopular as to cost its main proponent in the Senate, Ralph Recto, his re-election bid in 2007.

Salceda, however, was insistent. "The only way to capture the rich is through their expenditures, not their income." He pointed out that in China, the VAT rate is as high as 17 percent. "This is one reason for that country's fiscal strength," Salceda said.

Salceda is running for reelection in May, and few observers doubt that he will retain his post. If the response of Tatad and Bautista at the Kapihan to Salceda's impromptu economic treatise, we may yet see him figuring prominently again in the next administration.

<http://www.manilatimes.net/index.php/opinion/9984-population-corruption-and-taxes>

- **Filipino militant killed in Jan 14 drone attack in Waziristan**

A Filipino militant wanted by the US is believed to have been killed in a drone strike in the Tribal Areas close to the Afghan border earlier this month, intelligence officials said on Thursday.

If confirmed, the death of Abdul Basit Usman would represent another success for the covert programme of missile strikes that the US has carried out since 2008. There have been an unprecedented number of attacks in Pakistan's Tribal Areas this month following a deadly December 30 attack on a CIA base in Afghanistan.

Two military intelligence officers in the NWFP said Usman was believed killed on January 14. Another 11 militants were also killed in the strike on a militant compound. Authorities have previously said the attack had targeted Taliban leader Hakimullah Mehsud. It was not possible to confirm the reports, and there had been no previous indication Usman was in Pakistan.

The US State Department has put a bounty of US \$1 million for information leading to his conviction. ap

http://www.dailytimes.com.pk/default.asp?page=2010\01\22\story_22-1-2010_pg7_14

- **Philippine frontrunner promises no new taxes if he is elected**

Former Philippine president Joseph Estrada shakes the hands of supporters after a thanksgiving mass at the Sto. Nino Church in Manila yesterday

Philippine Senator Benigno "Noynoy" Aquino III, the frontrunner in opinion polls ahead of national elections in May, said yesterday he would not impose new taxes or increase tax rates if elected president.

Aquino, in his first address to local business leaders since he declared his candidacy in September, said he would pursue the rationalisation of fiscal incentives given to investors as part of efforts to plug revenue leaks and lower the budget deficit.

"We will refrain from imposing new taxes or increasing tax rates," Aquino told a forum hosted by the Makati Business Club, a powerful lobby group.

"I strongly believe that we can collect more taxes at the BIR (Bureau of Internal Revenue) and higher duties at customs if we become more serious in curbing and punishing tax evasion and smuggling."

The Philippines, failing to raise revenues as it spends more to pump prime the economy, is facing a record budget deficit for the second year in a row.

Finance officials have said state revenues dropped last year as corporates paid less income taxes due to the impact of the global crisis and customs duties fell as demand dried up for the country's exports.

Aquino, a first-time senator and economics graduate from the Ateneo de Manila University, estimates that around a fifth, or P280bn (\$6.1bn), of the Philippines' 2009 national budget was lost due to corruption.

“In addressing the looming fiscal crisis, good governance and the drive against corruption are critical components in our strategy,” said Aquino, only son of the Philippines’ former president Cory Aquino, the heroine of a 1986 “People Power” revolution that ousted Ferdinand Marcos, who died in August.

“Our initial focus then will be to capture a good part of the revenue leaks caused by smuggling and evasion,” he said, adding he envisioned a regime of low tax rates that would encourage entrepreneurs to invest and create jobs.

He also said the country’s tax-to-GDP ratio must be raised to at least 15%, close to the 1998 levels, from the current 13.4% level to make a significant dent in cutting the budget deficit.

Aquino has taken an initial lead in opinion polls, but no clear favourite has emerged yet among the presidential candidates.

Aquino will be pitted against nine other presidential candidates, including his cousin - former Defence Secretary Gilberto Teodoro, billionaire lawmaker Manuel Villar, and former president Joseph Estrada, in the May elections.

<http://www.gulf->

times.com/site/topics/article.asp?cu_no=2&item_no=338448&version=1&template_id=45&parent_id=25

- **Human rights: China, Philippines and attacks on religious minorities**

Three human rights resolutions - on recent attacks on religious minorities in Egypt and in Malaysia, on the case of Chinese dissident Liu Xiaobo and human rights violations in China more generally, and on the situation in the Philippines - were approved by Parliament on Thursday.

In the first resolution, Parliament expresses concern about the recent attacks against Coptic Christians in Egypt and welcomes the efforts to identify the authors of the 6 January 2010 attack, a drive-by shooting killed seven individuals: six Coptic Christians and a policeman.

Parliament calls on the Egyptian Government to ensure the safety and physical integrity of Coptic Christians and of members of other religious minorities in the country. Coptic Christians represent around 10% of the Egyptian population.

MEPs also voice concern about the recent attacks against churches and places of worship in Malaysia. Tension arose on 31 December 2009 when the Malaysian High Court ruled that Christians in Malaysia have the constitutional right to use the word ‘Allah’ to refer to God and that the word is not exclusive to Islam.

MEPs call on the Malaysian authorities to respect that decision and to ensure the personal safety and physical integrity of people practising their religion and to take appropriate steps to protect churches and other houses of worship.

They also call on the Council, the Commission and the High Representative of the Union for Foreign Affairs and Security Policy to pay particular attention to the situation of religious minorities, including Christian communities.

China

In a resolution on China, MEPs call for the immediate and unconditional release of Liu Xiabao and express sympathy with Chinese people who have spoken out against his treatment. On 25 December 2009, Liu Xiabao, a prominent human rights activist and scholar, was sentenced to 11 years in prison by the Beijing Municipal No 1 Intermediate People's Court for inciting subversion of state power.

Parliament also condemns the execution of Amal Saikh, a British citizen, despite repeated calls by the EU and one of its Member States for his death sentence to be commuted. MEPs welcome Google's intention to halt cooperation on internet filtering and censorship with the Chinese authorities. They urge all companies to act likewise.

The resolution stresses that China's human rights record remains a matter of serious concern and says the case of Liu Xiabao should be raised at the next EU-China summit. MEPs demand that respect for human rights be an integral part of the new framework agreement currently being negotiated with China. They highlight the imprisonment of the 2008 Sakharov prize winner Hu Jia and the harassment of his wife Zeng Jinyan.

Philippines

Parliament strongly condemns the Maguindanao massacre of 23 November 2009 and expresses solidarity with the families of the deceased. On 23 November 2009, 100 armed men from a local militia led by the Ampatuan family tortured and brutally murdered 57 members of a convoy, including female relatives of Esmail Mangudadatu, lawyers and 20 journalists, who were on their way to file Mangudadatu's candidacy for the governorship of Maguindanao province

http://www.europarl.europa.eu/news/expert/infopress_page/015-67616-018-01-04-902-20100119IPR67615-18-01-2010-2010-false/default_en.htm

- **Philippine economy among least free in Asia: study**

The Philippines was ranked 109th in an index that grades economic freedom in 179 countries. The Washington-based Heritage Foundation and The Wall Street Journal grades a nation's economic freedoms based on 10 benchmarks, such as trade freedom, business freedom, investment freedom, and property rights.

In the 2010 Index of Economic Freedom, the Philippines slipped by 0.4 points from the 2009 survey. The report noted that the Philippines' slight decline reflected "small reductions in monetary freedom and freedom from corruption." In the 16th Index, the Philippines scored 56.3 (100 being the best score). The Philippines is also lumped in the cluster of "mostly unfree" economies (the cluster is broken down to "free", "mostly free", "moderately free", "mostly unfree" and "repressed"). The authors stressed that economies classified as "free" or "mostly free" do a "much better job promoting human development, reducing poverty and protecting the environment."

However, the Philippines also scored above the world average in half of the 10 economic freedoms, the index findings showed. Weak economic freedom

The authors of the Index noted that structural reforms are needed to improve the entrepreneurial environment and develop a stronger private sector that generates more robust job growth.

"Overall progress has been mixed but some fiscal reforms have been accomplished," the authors said.

But they added, "The Philippines is weak in business freedom, investment freedom, property rights and freedom from corruption." The report said the perception of corruption is "pervasive", adding the enforcement of anti-corruption laws is inconsistent.

They noted that the country continued to rely too much on remittances from overseas Filipinos that comprise about 10% of the Gross Domestic Product. This reflects "a lack of domestic economic dynamism" the report noted. It also cited "formal and non-formal barriers to foreign investment," which has long been cited by foreign chambers and local investors are reasons why the Philippines continues to lag behind peers in attracting direct foreign investments.

The report noted that overall fiscal weakness of the economy. It cited that "some fiscal reforms have been accomplished. The top corporate tax rate has been reduced, and progress in privatization and fiscal prudence has helped to reduce the public debt. Improving tax administration remains a priority."

Peers

Among its Asian peers, the Philippines was ranked 20th in the high-performing Asian-Pacific region. Hongkong and Singapore topped the index for the 16th straight year.

- **In Philippines, US fights militancy with new classrooms**

Last September, two American soldiers died here in a roadside bombing. The incident, the deadliest in an eight-year US deployment in the southern Philippines, put a temporary stop to infrastructure projects across the war-torn island of Jolo, a key battleground in a US-backed military campaign.

Recalling these setbacks, Malone assured his audience that nothing would sway his forces from their mission. "We will not give up on the children of Kagay. Your children and their future are too important," he said, before cutting a red ribbon at the school gate. Kagay's new school is a window into the perils of counterinsurgency in lawless areas like Jolo, a rugged outpost of Islam in Southeast Asia. A century ago, it was a center of fierce resistance to US occupation. More recently, it has become a byword for terrorism at the hands of the Abu Sayyaf, an Islamist group with historic ties to Al Qaeda that drew US Special Forces here in 2002 to advise and equip the Philippine military.

As well as supporting the campaign against the Abu Sayyaf and other terrorist groups, the US has also sent in military experts on how to use aid to bring development and economic opportunity to villages like Kagay, hoping to reverse decades of neglect that have seeded the violence. These projects range from new roads to ordnance clearance to veterinary services that fatten cattle and raise family incomes.

Malone, the US commander on Jolo, says the strategy, known in military parlance as civil-military operations (CMO), is working. "The enemy knows that when we move into an area and bring CMO projects, people start telling on them," he says.

Philippine officials echo these points and say their troops are putting more resources into humanitarian aid so they can empower civilians. "This is how we want to help the community," says Brig. Gen. Rustico Guerrero, who commands a joint Philippine taskforce on Jolo.

Building amid violence

But delivering aid to villagers living under the shadow of violence is a long-term commitment, warn US military officials. They point to the nearby island of Basilan, where US troops arrived in 2002 to support Philippine military operations and build infrastructure. Terrorist attacks fell steadily, prompting a drawdown in US troops. But within a few years, the Abu Sayyaf had regrouped and resumed targeting civilians.

“If you go and build a school and walk away, it’s just going to be a madrasa,” or religious school, says a US officer who also served in A

<http://www.csmonitor.com/World/Asia-Pacific/2010/0120/In-Philippines-US-fights-militancy-with-new-classrooms>

- **Estrada confident of victory in polls**

Deposed Philippine leader Joseph Estrada declared yesterday he was confident of reclaiming the presidency, after the election commission ruled he could run again in this May’s polls.

The Commission on Elections (Comelec) rejected a challenge from a group of lawyers that Estrada should be banned due to a constitutional requirement that says presidents cannot seek re-election after serving their six-year term.

However the case on Estrada was not so clear cut, as he served only three years in office before being deposed in 2001.

“In the end, it is the Filipino people who would act as the final arbiter on whether they would have Estrada sit again as president. It is the electorate’s choice of who their president should be,” the Comelec committee ruled.

However signalling the legal battle may not be over, lawyer Evilio Pormento said he would appeal the ruling to the entire Comelec body. Comelec chairman Jose Melo can still either uphold or reverse yesterday’s ruling.

Estrada said: “Now it’s settled. Sovereignty emanates from the people and it will be the people who will decide who will be the next president,” Estrada told reporters.

“I’m very confident like in ‘98,” he said, referring to the 1998 presidential election, which he won by a landslide.

<http://www.gulf->

[times.com/site/topics/article.asp?cu_no=2&item_no=338360&version=1&template_id=45&parent_id=25](http://www.gulf-times.com/site/topics/article.asp?cu_no=2&item_no=338360&version=1&template_id=45&parent_id=25)

Cambodia

- **U.N. special rapporteur to make second visit to Cambodia**

A special rapporteur of the United Nations is planned to make his second visit to Cambodia next week, according to the Office of the U.N. High Commissioner for Human Rights (OHCHR) on Saturday.

In a statement released on Saturday, the OHCHR said Surya Prasad Subedi, the Special Rapporteur on the situation of human rights in Cambodia, will visit Cambodia on Jan. 18-30.

This is his second mission to Cambodia. "He intends to use the visit to examine the functioning of the National Assembly and judiciary, including the

Supreme Council of Magistracy and the Constitutional Council," the statement said.

His objective is to conduct an analysis of how these institutions work, and the extent to which they provide citizens recourse and remedy for breaches of their rights.

The Special Rapporteur is an independent expert appointed by the United Nations Human Rights Council to follow and report on the human rights situation in Cambodia.

His task is to assess the human rights situation, report publicly about it, and work with the Government, civil society and others to foster international cooperation in this field.

- **Cambodia donates \$50,000 for quake-stricken Haiti**

The Cambodian government announced on Saturday that it has decided to contribute 50,000 U.S. dollars for the relief efforts to the people of Haiti.

Along with a message of condolence of Prime Minister Hun Sen, "the Royal Government of Cambodia has decided to contribute 50,000 U.S. dollars for the relief to the people of Haiti who are facing great suffering from this colossal natural disaster," the release of the Ministry of Foreign Affairs said.

Prime Minister Hun Sen on Thursday sent a message of condolence to his Haiti counterpart, expressing the mourning of the Royal Government of Cambodia and its people for the death of Haiti people in the strong earthquake.

A 7-magnitude earthquake hit Haiti on Jan. 12, causing thousands of deaths and injuries and extensive destruction, while many people are left without shelters and are in need of food and medicines.

- **U.S. Man in Cambodia Arrested on Child Porn Charge**

Cambodian police said Monday they have arrested an American man on charges that he drugged a 12-year-old girl and took pornographic photos of her.

Chor Heng, deputy police chief of Preah Sihanouk province, said Ronald A. Adams, 51, was arrested at his home Friday after a complaint from the girl's mother.

Provincial prosecutor You Tith Vattanak said Adams was charged Sunday with illegal drug use and possession of child pornography, and could face rape charges if medical tests confirm he physically abused the girl. He could be jailed for at least 10 years on the initial charges, he said.

Police said Adams has lived in the seaside province — about 115 miles (185 kilometers) southwest of Phnom Penh — for at least two years and operates a small restaurant there. His passport says he is from New York, police say.

The suspect, who was being held in the provincial jail, was unavailable for comment.

Lax law enforcement and poverty have made Cambodia a prime destination for foreigners seeking sex with minors. But police recently have stepped up efforts to fight the crime, and several foreigners are serving lengthy prison terms.

- **The big issue: Malcolm Caldwell A carefully redesigned version of history**

Article history

Andrew Anthony's reason for his bitter denunciation of Malcolm Caldwell over 30 years after he was murdered in Cambodia, he explains, is to ensure "that we don't forget history". ("Lost in Cambodia", Magazine) A certain version of history, that is: one carefully redesigned in the interests of power.

Caldwell's fate, Anthony suggests, may have resulted from his failure to read Francois Ponchaud's "Cambodia Year Zero" because of my review of the book (Chomsky and Edward Herman, June 1977) – which recommended it as "serious and worth reading." An odd reaction. Anthony also omits Ponchaud's reaction to the review. In the preface to the English translation a year later, Ponchaud opens by referring to my praise for his book, and praises me in turn for "the responsible attitude and precision of thought" in everything I had written about the topic, including this review and extensive personal correspondence, which led to the discovery of many serious errors in his book, corrected in the translation. Note that I am referring to the American edition. Ponchaud's preface to the British edition, dated the same day, is identical except that he replaces these passages with the charge that I denounced his book and rejected its conclusions. And he left the errors uncorrected. Evidently, Ponchaud believed that in England he could get away with anything, as Anthony is keen to demonstrate.

Anthony claims further that we denied the refugee testimony on which Ponchaud relied – in our words, his "grisly account of what refugees have reported to him about the barbarity of their treatment at the hands of the Khmer Rouge". We raised no question at all about his sources, though elsewhere we did reiterate Ponchaud's position that "the accounts of refugees are indeed to be used with great care" and showed that others had violated this familiar truism.

Anthony charges that I "compared Ponchaud's work unfavourably with another book, Cambodia: Starvation and Revolution, written by George Hildebrand and Gareth Porter, which cravenly rehashed the Khmer Rouge's most outlandish lies to produce a picture of a kind of radical bucolic idyll." We did, indeed, draw one (and only one) comparison between the two books. Ponchaud claimed that 200,000 people were killed in American bombings from March to August 1973, mentioning an unidentified Cambodian report. Hildebrand and Porter's study cites such a report, which refers however to killed and wounded. Anthony raises no objection to this: apparently it is legitimate to cite sources to refute undocumented charges against the US.

The Hildebrand-Porter book was concerned almost entirely with the period before the Khmer Rouge takeover, and was written much too early for more than a few words about the aftermath. A serious commentary on their work is provided by George Kahin, the leading US Southeast Asian scholar, in his introduction to it.

As he observes, they "provide what is undoubtedly the best informed and clearest picture yet to emerge of the desperate economic problems" resulting largely from the American bombing, with Phnom Penh and other urban centers overflowing with peasant refugees and facing starvation as much of the countryside had been destroyed. Almost the entire book is devoted to detailed documentation of this shocking tragedy, which explains US intelligence predictions after the fall of Phnom Penh "that 1 million Cambodians will die in the next twelve months" (Far Eastern Economic Review, 25 July 1975).

None of this is granted entry into Anthony's version of "history." Nor is the revelation by Cambodia scholars Taylor Owen and Ben Kiernan three years ago that the US bombing of rural Cambodia was actually at five times the horrendous level previously reported, greater than all allied bombing in all theaters in World War II, and "drove an enraged populace into the arms" of the previously marginal Khmer Rouge, setting the stage for the horrors that followed.

Had he chosen, Anthony could have found accounts of Cambodia under the Khmer Rouge that provide at least minimal support for his farcical rant about Hildebrand-Porter. For example, a description of the "genuine egalitarian revolution" with a new "spirit of responsibility" and "inventiveness" that "represents a revolution in the traditional mentality" as "the people of Kampuchea are now making a thousand-year old dream come true" and taking new pride in their constructive work. But these observations by Francois Ponchaud would not conform to his agenda.

The rest proceeds in much the same vein. The only reason to waste even a moment on such a performance is that it encapsulates so well the common technique of apologetics for the crimes for which one shares responsibility. It would not do to deny the crimes outright; that exposes them to view and undermines pretensions of liberal ideals. The first and most crucial principle is therefore to evade our own crimes. Next, vilify the messenger, to ensure that unwanted history is forgotten. And finally, vilify those who dare to refute charges against official enemies, thus preserving the right to posture heroically about their real or alleged crimes without concern for such impediments as fact and uncertainty. Add a few appropriate rhetorical touches and the concoction is ready to serve, a tasty morsel in some circles.

Noam Chomsky
Lexington MA

| It was clear to anyone who knew Caldwell and who saw his films and photographs from Cambodia that he was not blind to what was going on. From my knowledge of him, there was no doubt he was a Marxist, but he valued freedom of speech, intellectual exchange and open discussion and was not blind to the negative side of developments in the then socialist regimes.

Ian J Stones
Beijing

| It was good to be reminded of the life and work of Malcolm Caldwell, once my good friend and political ally, but your account failed to take account of the peculiarity of his theoretical interests nor of the nature of the times.

Malcolm was a revolutionary leftist, but not a Marxist. He drew his inspiration from the French Physiocrats of the 1760s and from the writings of the 19th-century German economist Friedrich List. Malcolm believed these neglected thinkers provided a model for third world development and he imagined that Pol Pot's French-educated economists were kindred spirits.

He was also politically active when the Americans were conducting genocidal operations in Vietnam, Cambodia, Indonesia and elsewhere in south-east Asia. As a result, he believed it was a duty to support all revolutionary movements in the region, regardless of the nature of their project. The full extent of the

violence inflicted on Cambodia during the Pol Pot years was not known during Malcolm's lifetime, but the comparable damage caused by the US, now largely ignored, was an ever-present reality.

Richard Gott

London W11

| I was disappointed to see an article about my uncle Malcolm used to peddle a smear linking anti-imperialism and Marxism to "communist terror".

I did not share Malcolm's views on Pol Pot, but I would welcome his voice were he around today against the terrors being visited upon the peoples of Iraq, Afghanistan and Palestine.

Sue Caldwell

London N15

| What a fantastic piece by Andrew Anthony on Malcolm Caldwell. I don't think I have read a more interesting article in any Sunday newspaper for many years.

What an irony that, as Anthony revealed, the current UN representative on the victims of Pol Pot should be what we should now call a "self-confessed"

Marxist.

- **Cambodian PE firm Leopard Capital closes first fund on \$34m**

Cambodian private equity firm Leopard Capital has closed its maiden fund on \$34.1m, having attracted over 100 investors from around the world.

Leopard Cambodia Fund initially closed in April 2008 and has since made five investments representing over 40 per cent of its capital. The fund's portfolio thus far includes rice production business Cambodia Plantations, mobile telecommunications company CamGSM, beer brewer Kingdom Breweries, power transmission

firm Greenside Holdings, and residential property developer Angkor Residences. Leopard expects the fund to be fully invested by the end of the year.

Douglas Clayton, CEO of Leopard Capital, said, "It was challenging to raise a first-time fund like this during a global financial crisis but we think the timing will turn out to be very fortunate. The volume and quality of investment proposals we're getting has exceeded our expectations, and we're pleased with the diversified portfolio we're building. We hope that the performance of Leopard Cambodia Fund will help change global perceptions about investing in Cambodia."

Leopard also plans to start fundraising this quarter for private equity vehicle Leopard Sri Lanka Fund and public equity vehicle Leopard Sri Lanka Value

Fund. Leopard Sri Lanka Fund has a fundraising target of \$100m, a ten-year lifespan and will invest in unlisted companies in Sri Lanka, typically taking minority positions. It aims to help fund the post-war development of Sri Lanka's economy by investing in sectors such as tourism, consumer goods, seafood processing, agriculture, and manufacturing.

Leopard was founded in 2007 by Douglas Clayton as a partnership of financial professionals with investment experience in Asian emerging markets.

- **Renowned Telecommunications and Banking Experts Gather**

Mobile Money Middle East 2010, sponsored by hyperWALLET Systems, will be held from 28, Jan 18, 2010 (Al-Bawaba via COMTEX) -- 31 March 2010 at the Grand

Millennium Hotel, Dubai and will play host to renowned telecommunication, banking and regulatory experts from organisations including Etisalat, Barclays Bank, du, Bahrain Islamic Bank, Mashreq Bank, Zain, National Bank of Cambodia and Dubai Islamic Bank.

Adopt a Unified Approach to Address Convergence of IT and OSS White paper Learn more, download free white paper.

Over 15 distinguished experts from countries including the UAE, Bahrain, Cambodia, Africa and Pakistan will discuss evolving critical issues and challenges in effectively implementing operational GTM mobile money strategies and full service roll out.

Topics that will be discussed include: examining and evaluating different operating and partnership models and processes for acquiring the right licenses, understanding how to comply with important regulations, overcoming the security challenges of Mobile Payments and Mobile Money Transfers (MMT) services, identifying and selecting the right technologies and service providers for your organisation, and leveraging effective commercial contactless mobile systems and Near Field Communication (NFC) services.

Find Solutions for Enterprises, SMBs & Service Providers at the INTERNET TELEPHONY Conference and EXPO West, October 4-6, 2010. Los Angeles, CA.

Mitchel Roda, Forum Speaker for Mobile Money Middle East 2010 and Senior Manager Marketing (Payments) Commercial, at du, UAE says "MNOs and banks in the GCC region should be seeking a long-term balanced partnership on mobile financial services. You need to choose the right partner and be able to leverage on each other's key assets. Additionally you need to be able to build the eco-system together and decide on who does what, what's in for the bank and what is in it for the MNO in advance. It is all about exploring which new services will drive adoption, and additionally identifying effective direct and indirect revenues." (C) 2010 Al Bawaba (www.albawaba.com)

- **Leader to start power project in Cambodia**

Leader Universal Holdings Bhd will embark on a US\$107mil power transmission project in Cambodia next month, said group managing director Datuk Sean H'ng Chun Hsiang.

He told StarBiz that construction work for the first phase of the project would kick off immediately after Chinese New Year.

Leader, through its subsidiary Cambodian Transmission Ltd, inked the deal for the project with state-owned power company Electricite du Cambodge (EDC) yesterday, which commissioned the group to build a 230-kv power transmission system from North Phnom Penh to Kampong Cham on a build-operate-transfer basis.

Datuk Sean H'ng Chung Hsiang ... 'Bank loans are now in place.'

Under the agreement, Leader will build, manage and maintain the transmission line for 25 years before returning it to the government.

"Under the agreement, Leader will build two substations and a power transmission line in three phases," H'ng said.

He said the first phase, involving the construction of a substation in Kampong Cham, was scheduled for completion in July 2011 while the construction of the

North Phnom Penh substation under the second phase was slated to be completed by March 2012.

“The final phase, which involves the commissioning of the 110-km transmission line from the North Phnom Penh substation to the Kampong Cham substation, will be completed in December 2013,” he said.

Leader would fund the project with internally generated funds and bank borrowings, he said, adding that the bank loans “are now in place.”

The master plan for power generation in Cambodia allowed a four-fold increase in installed capacity over the next five years, according to H’ng.

“The forecast for the power load in Cambodia is that it will grow to 2,315MW in 2024 from 740MW in 2010, which is a more than a three-fold increase within 14 years, growing at a 8.5% per year growth rate,” he said.

On Leader’s 100MW coal-fired power project in Sihanoukville, H’ng said the project should be operational in 2012.

“We have a 30-year build-own-operate concession to supply electricity to EDC,” he said.

- **Thai Khon Kaen to open first Cambodian sugar mill next week**

Thailand's Khon Kaen Sugar Industry Plc, which plans to open its first Cambodian sugar mill next week, saw its stock in Bangkok fall as sugar prices dropped.

- **Thaksin lands in Cambodia**

FUGITIVE former Thai premier Thaksin Shinawatra arrived in Cambodia on Wednesday for his third trip as a controversial economic adviser to the country, said a government spokesman.

Thaksin, whose visits have stoked a diplomatic row between the Thai and Cambodian governments, landed in a private jet at Phnom Penh International Airport, spokesman Khieu Kanharith told AFP. 'He has arrived. He just landed,' Khieu Kanharith said. 'I don't know about his itinerary yet.'

Thailand and Cambodia recalled their ambassadors in November and expelled senior diplomats over Cambodian premier Hun Sen's appointment of Thaksin, who is living abroad to avoid a jail term for corruption in his home country.

Tensions between the neighbouring countries soared further when Phnom Penh then refused to extradite Thaksin during his first visit to Cambodia in his new role.

During his previous stays in Cambodia, Thaksin has addressed top government officials on how to boost investment, tourism and agriculture. He also met scores of his 'Red Shirt' supporters from Thailand, where he remains a hugely influential figure. Before Thaksin's appointment as an adviser, relations between Thailand and Cambodia were already tense due to a string of deadly gunbattles at their disputed border, where troops have faced off since July 2008.

- **Thai fugitive ex-premier Thaksin ends third Cambodia visit**

Thailand's fugitive former premier Thaksin Shinawatra left Cambodia for Dubai Thursday afternoon following an overnight visit, Cambodian government spokesman Prak Sokhon said.

The visit was Thaksin's third to the Cambodian capital since being named an economic adviser to the government there in October, a move that put further strains on the already tense relationship between Thailand and Cambodia.

Prak Sokhon said he did not know whether Thaksin had met members of Puea Thai, the opposition political party in Thailand with which he is linked, during his stay.

On previous visits to Cambodia Thaksin met his political supporters from Thailand, who have vowed to escalate anti-government protests there.

Describing Thaksin's stay in Cambodia as 'a stopover' en route to Dubai, Prak Sokhon said the former premier had not discussed the economy with government officials or with Prime Minister Hun Sen, with whom he dined Wednesday evening.

'When politicians meet politicians, they talk about politics,' he said.

The visit was unlikely to improve ties between Thailand and Cambodia, which remain at their lowest level in years.

Cambodia appointed Thaksin, who has a two-year jail sentence still to serve in Thailand for abuse of power, as an economic adviser to the government and to Hun Sen.

Those appointments and Phnom Penh's refusal to extradite Thaksin outraged Bangkok and saw both countries withdraw their ambassadors and senior embassy staff.

The ambassadors have yet to return.

This month, the Cambodian government rejected a demand by Thai Foreign Minister Kasit Piromya that Phnom Penh dismiss Thaksin as an adviser before relations between the two countries could improve.

Bangkok considers the appointment of Thaksin, the de facto opposition leader, as interference in its internal politics.

Thaksin was prime minister of Thailand from 2001 to 2006 before being toppled in a bloodless coup. He fled the country and has lived in self-imposed exile, mostly in Dubai, since August 2008.

The relationship between the two neighbours has been tense for more than a year with a number of clashes reported between their troops over a disputed piece of land near the 11th-century Preah Vihear border temple in northern Cambodia.

- **Cambodia to host 16th ASEAN Youth Table Tennis**

Cambodia will host the 16th table tennis competition slated in Phnom Penh from June 3-8, the official news agency AKP reported on Friday.

Young players from the ASEAN member countries are expected to join the six-day event. Oknha Rath Sokhon, president of the Table Tennis Federation of Cambodia, said some 60,000 U.S. dollars have been set aside for the tournament.

- **Australia eyes Cambodian sugar sector**

Australia's former treasurer of Australia, Peter Costello, has revealed he is working with an investment fund that planned to inject US\$600 mln into Cambodia's agricultural sector focused among other things on sugar.

Singapore

- **Thailand eye win against Singapore**

Champs Denmark face Poland in King's Cup opener

Thailand are looking forward to a winning start against Singapore at the 40th King's Cup football tournament today.

DO THIS: Thailand coach Bryan Robson gives his players instructions during training yesterday.

The match takes place at His Majesty the King's 80th Birthday Anniversary Stadium at 6.30pm and will be televised live on Channel 7.

Defending champions Denmark take on Poland in the opening game of the four-team round-robin tournament at 4pm.

Thailand coach Bryan Robson said the first match was important as it could determine the overall result of a team.

"The team who win the first match will become confident in the next match and have a better chance of winning the title," said the former England captain.

In their most recent encounter, Thailand lost 1-0 to Singapore in an Asian Cup qualifier in Bangkok in November.

Robson said Thailand dominated for long periods in that match but could not score and were punished after making a defensive blunder.

"We must not make any mistake if we want to win," he said.

"Singapore have a good defensive line and to get through their defence we have to play and move fast."

He said his men must neutralise Singapore's tall striker Aleksandar Duric, who scored the winner in Bangkok.

The Englishman said he had four forwards and young striker Kirati Keowsombut would start up front alongside Teerathep Winothai.

Singapore coach Radojko Avramovic of Serbia said the tournament was part of the team's preparations for their decisive Asian Cup qualifier at Jordan in March.

"It will be very useful for us to play three games against strong sides," he said.

"We are using first-team players and new faces in the tournament. The opening match against Thailand will be exciting."

Tickets from 50 baht are available at The Mall, Korat and Klang Plaza.

- **Germany, Singapore top World Bank trade logistics survey**

Germany has emerged top and Singapore second in a new World Bank logistics survey that measures how efficiently countries trade their goods around the world.

Sweden was adjudged the next most trade-friendly nation in the study released on Friday and hailed by the Washington-based institution as "the most comprehensive world survey of international freight forwarders and express carriers."

"Economic competitiveness is relentlessly driving countries to strengthen performance, and improving trade logistics is a smart way to deliver more efficiencies, lower costs and added economic growth," said bank chief Robert Zoellick.

High income economies dominated the top logistics rankings, with most of them occupying important places in global and regional supply chains, the 155-nation

"Logistics Performance Indicators" study showed.

By contrast, the 10 worst performing countries were all from the low and lower income groups.

"Although the study shows a substantial logistics gap between rich countries and most developing countries, it finds positive trends in some areas essential to logistics performance and trade," the World Bank said.

"Some of them include the modernization of customs, use of information technology, and development of private logistics services," it said in a statement.

Among the most significant "over-performers" among developing countries were China, which emerged 27th in ranking, India (47), Uganda (66), Vietnam (53), Thailand (35), the Philippines (44), and South Africa (28).

- **CapitaLand buys China property business for \$2.2 billion**

Leading Singapore real estate developer CapitaLand pays \$2.2 billion for Orient Overseas International's China property business.

Singapore-based real estate developer CapitaLand has acquired 100% of Orient Overseas Developments Limited (OODL) for \$2.2 billion from a company controlled by the family of former Hong Kong chief executive Tung Chee-hwa.

The acquisition will double CapitaLand's China property portfolio to 2.8 million square metres and will also increase the China weighting in its portfolio to 36%, in line with the Singaporean firm's stated strategy.

OODL owns seven sites in Shanghai, Kunshan and Tianjin. The portfolio comprises a total gross floor area of 1.48 million square ...

- **Singapore exports jump by 26.1%**

Singapore's key exports expanded at a better-than-expected pace in December, signaling improving external conditions and boosting hopes that the city-state's economy will be able to return to growth in 2010.

Nonoil domestic exports rose 26.1% from a year ago, the trade promotion agency International Enterprise Singapore said. The rise reflected the strong showing across various sectors as well as a low comparison base, the data showed.

The expansion followed an 8.7% rise in November and was better than a rise of 22.6% forecast by a Dow Jones Newswires poll of seven economists.

"I am surprised by the December numbers. This is the strongest growth since December 2005 and going forward I expect exports to do well," HSBC economist

Robert Prior-Wandesforde said, adding that he expects Singapore's economy to expand by 6.5% in 2010.

Standard Chartered economist Alvin Liew said the data "bode well" for the island state's manufacturing sector as well as for the Singapore dollar. But he

also warned that the recovery in trade will be a more gradual process than the "recovery profile of previous recession episodes."

"We expect key G3 markets to stage slower recoveries while unemployment in these economies may remain stubbornly high in 2010," damping improvement in consumer spending in these places, he said.

Exports to the U.S. rose 5.9% from a year earlier after a 12.6% fall in November.

Shipments to the European Union increased 27.4% after a 17.9% expansion in

November. Exports to China gained 19.9% after rising 22.1% previously.

Electronics exports rose 25.2% from a year earlier due to strong gains in shipments for semiconductors, semiconductor parts and PC parts. Standard Chartered's Mr. Liew noted that this was the first expansion for the sector after 34 consecutive months of year-to-year contraction.

Nonelectronics exports rose 26.8% due to firm gains in pharmaceuticals, petrochemicals and primary chemicals.

Exports rose 1.7% from the previous month in seasonally adjusted terms, compared with a 19.8% rise in November and a 0.5% fall forecast by the poll.

For the full year, Singapore's exports fell by 11%.

- **Singapore Armed Forces acquire Terrex infantry carrier vehicle**

Deputy Prime Minister and Minister for Defence Teo Chee Hean officially launched the new ICV two days later at the SAF's Army Open House 2009.

Colonel Darius Lim, the director of public affairs at the Singaporean Ministry of Defence, told Jane's that all of the SAF's "active infantry and guard battalions will start training on the Terrex ICVs from February next year".

The SAF has ordered 135 vehicles, with Col Lim explaining that "three battalions will each be provided with 45 Terrex ICVs" during 2010.

- **M1 looks at 35% reduction in carbon footprint in Singapore; LTE trial in February**

Operator to leverage benefits of Nokia Siemens Networks' Flexi Multiradio base stations MobileOne (M1), the leading mobile operator in Singapore, expects to achieve up to 35% reduction of its telecommunications networks carbon footprint by early 2011. This is made possible by Nokia Siemens Networks Flexi Multiradio base stations. The vendor is currently modernizing M1's 2G network to prepare it for a smooth transition to Long Term Evolution (LTE).

In addition, M1 is set to start an LTE trial in February 2010. Undertaken in collaboration with Nokia Siemens Networks, the trial will last two months and marks another step in M1's commitment to deliver an energy efficient, high-speed mobile broadband service to its subscribers.

The LTE trial includes Nokia Siemens Networks' Flexi Multiradio Base Stations that enhance network coverage and capacity, while lowering site power consumption significantly. This forms part of its end to end Energy Solutions portfolio, which is a clear commitment from Nokia Siemens Networks to drive innovative solutions for energy efficiency. Evolved Packet Core nodes are provided as part of the end-to-end trial*. Nokia Siemens Networks is also providing its cost-efficient mobile softswitching and subscriber data management core network solutions and its NetAct network management system, as well as network optimization and related maintenance services to ensure optimum network quality.

As part of the LTE trial, M1 will be show-casing the high-speed wireless broadband capabilities of LTE at its flagship store in Paragon on Orchard Road. This will allow customers to see amongst other things High Definition (HD) TV streaming, as well as high-speed Internet browsing and web surfing over the LTE network.

Patrick Scodeller, chief technical officer at M1, said. "Our network modernization contract with Nokia Siemens Networks represented our first steps in our

evolution to LTE. The trial will help pave the way for faster and better quality mobile broadband services in the future. The extensive use of Nokia Siemens Network's proven energy efficient equipment will ensure that we have in place a network that is well able to meet the increasingly demanding environmental standards now and in the future."

"LTE will not only enable a rich end-user experience but also pave the way for new business opportunities for service providers. As M1 continues to keep pace with new technology, we believe that the operator is well positioned to gain a competitive edge in this market," said Ricky Corker, head of the Asia Pacific region at Nokia Siemens Networks. "At the same time, we're honored to work with M1 in contributing to Singapore's carbon emission reduction goals."

Recognized as the world's most progressive mobile network technology by many, the Flexi Base Station has received multiple awards, including The Best Network Technology Advance Award at the annual GSMA Global Mobile Awards 2009, CTIA Awards 2009 for green network innovation, and the Gold Award in the Green Infrastructure category of Juniper Research's 2010 Future Mobile Green Awards. Nokia Siemens Networks has shipped its LTE-ready Flexi Base Station hardware to close to 140 operators worldwide.

Nokia Siemens Networks is committed to driving the commercialization of LTE networks. In September 2009, it completed the world's first LTE call using a commercial base station and fully standard compliant software. This was followed by the world's first LTE handover test in October and interoperability tests with four leading mobile device vendors in November.

About Nokia Siemens Networks

Nokia Siemens Networks is a leading global enabler of telecommunications services. With its focus on innovation and sustainability, the company provides a complete portfolio of mobile, fixed and converged network technology, as well as professional services including consultancy and systems integration, deployment, maintenance and managed services. It is one of the largest telecommunications hardware, software and professional services companies in the world. Operating in 150 countries, its headquarters are in Espoo, Finland. www.nokiasiemensnetworks.com

Engage in conversation about Nokia Siemens Networks' aim to reinvent the connected world at <http://unite.nokiasiemensnetworks.com> and talk about its news at <http://blogs.nokiasiemensnetworks.com>

Find out if your country is exploiting the full potential of connectivity at <http://connectivityscorecard.org>

*Note to editors:

The trial includes two products that make up the key elements of Nokia Siemens Networks Evolved Packet Core (EPC) network solution for Long Term Evolution (LTE), allowing operators to modernize their network to support a wide variety of access types using a common core network. The Flexi Network Server and the Flexi Network Gateway will enable operators to efficiently offer a comprehensive range of voice, data, high quality and real time multimedia services using the same ATCA base platform.

The Flexi Network Server (NS) functions as the Mobility Management Entity (MME) in the EPC architecture to provide call control for LTE. It is a dedicated control-plane element that is optimized to operate in all-IP environments. It utilizes the competencies of implementing flat network architectures that Nokia Siemens Networks has gained through providing Direct Tunnel for current HSPA networks.

The Flexi Network Gateway (NG) functions as the System Architecture Evolution Gateway (SAE) for processing routing call traffic in the EPC architecture. It is designed to serve as a high capacity gateway for mobile broadband networks, and offers high packet processing and signaling capabilities to accommodate high volumes of real-time traffic, especially Voice over IP (VoIP), and to offer high signaling performance in a flat network architecture. It also allows the implementation of policy control to enable operators to stay in control of their usage of network resources. The Flexi NG scales to meet the needs of both distributed and centralized network architectures.

Advanced Telecommunications Computer Architecture (ATCA) is an industry specification for communications equipment envisioned by the PCI Industrial Computer Manufacturers Group (PICMG). It defines open standards-based guidelines for the design and manufacture of next-generation carrier-grade telecom hardware.

AdvancedTCA and ATCA are trademarks of PICMG.

- **Tiger Airways raises \$178 million from popular IPO**

Subscribe now for full access.

The Singapore-based budget airline drums up strong support for its upcoming listing, despite a short operating history and an aggressive expansion plan.

The Year of the Tiger may not officially start until February 14, but for people involved in Singapore's first listing this year, this may well feel like the Month of the Tiger -- worthy of at least a small roar.

The reason for that would be the strong support for budget airline Tiger Airways Holdings' initial public offering, which took quite a few market watchers by surprise, coming as it did at a time when the economic environment has pushed a large and well-established airline like Japan Airlines to the brink of bankruptcy. Under such circumstances, Tiger's short track ...

- **Singapore's first casino-resort partially opens**

Singapore's first casino-resort partially opened Wednesday, a key part of a government plan to reduce reliance on manufacturing and brand the tightly controlled city-state as a cosmopolitan Asian capital.

Resorts World Sentosa, built by Malaysia's Genting Bhd for 6.6 billion Singapore dollars (\$5 billion), opened 1,340 rooms in four hotels, including a Hard Rock hotel and a property designed by architect Michael Graves. Its 7,300-seat ballroom, one of Asia's largest, will host its first event at the end of this month.

A Universal Studios theme park is expected to open in the coming weeks on the sprawling 49-hectare complex on Sentosa, an island a quarter of a mile off Singapore's coast. No firm date has been set, said Genting chairman Lim Kok Thay, contradicting reports it would open next week.

The resort's casino, the first of two planned for the city-state, is expected to open in March following delays in getting its license approved.

Genting is still likely to steal a march on rival Las Vegas Sands, which is looking at a May launch for its \$5.5 billion Marina Bay Sands casino-resort.

Both casino operators are eyeing Asia's high-roller market — an endeavor Singapore facilitates with its 12 percent tax on net revenue from big-money gamblers, compared with Macau's 39 percent. Genting expects tourists to make up 60 percent of visitors to its casino with up to a quarter of those tourists to come from China.

Singapore — known for its ban on chewing gum sales and canings for crimes some countries would rule as minor — strictly controls public speech and assembly though has become socially more liberal and allowed greater artistic freedom in recent years. The decision to allow casinos followed a rare national debate though the government's desired outcome was never in doubt.

The government expects the two casino-resorts to increase the country's gross domestic product growth by up to 1 percentage point, boost tourist arrivals and add 35,000 jobs.

With a well-educated population that speaks English, Chinese and Malay, Singapore is increasingly focusing on finance and tourism, said Irvin Seah, an economist with DBS Bank in Singapore.

"Services are really a green pasture going forward for Singapore," Seah said. "It's the area which we really want to fully exploit and it's where we have a comparative advantage in the region."

Manufacturing, which has long dominated the economy, has been slowly leaving the country as companies seek cheaper labor costs in regional neighbors such as China and Vietnam.

"Competitors are catching up very quickly," Seah said. "In some segments of the manufacturing sector, we are certainly fighting a losing battle."

Copyright 2010 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

- **Tiger raises S\$247.7 million from IPO**

Singapore's Tiger Airways has raised S\$247.7 million (\$178.5) from its initial public offering (IPO), after its share offerings were over-subscribed.

It has priced the shares at \$1.50 a piece, and will pocket S\$233.3 million of the total proceeds after fees, says the low-cost carrier.

Tiger launched the IPO on 13 January, offering 165 million shares at a maximum price of \$1.65 a piece.

More than 92% of the shares were reserved for institutional investors through an international offering, while the remaining shares were offered to the Singapore public.

The carrier received 27,072 valid applications for about 260.1 million shares at the close of the Singapore public offer, resulting in the public offer tranche being 21 times subscribed.

The international offering received indications of interest amounting to about 683.6 million shares, resulting in the placement tranche being 4.5 times subscribed, says Tiger.

"We believe that the significant demand for shares in Tiger Airways from investors around the world is a strong vote of confidence in our low-cost business model and the growth potential of Tiger Airways," says the airline's CEO Tony Davis. Tiger plans to use most of the funds - up to S\$166 million - to acquire new Airbus A320s and meet the associated aircraft pre-delivery payments. It operates a fleet of 17 A320s, but says it plans to quadruple this to 68 by December 2015. The remaining funds will be used to pay off short-term loans and to establish new airlines and / or operating bases among others, Tiger has said.

"Going forward, we aim to continue growing our airlines in Singapore and Australia as well as establishing new airlines in additional markets in Asia," says Davis.

The airline will have a market capitalisation of S\$781.3 million when it is listed. Its shares will commence trading on the Singapore stock exchange on 22 January.

Tiger posted a full-year pre-tax loss of S\$47.7 million for the fiscal year ending 31 March 2009, after it was dragged down by losses at its Australian operation.

- **Singapore takes over Nato anti-piracy mission**

SINGAPORE has taken over command of Combined Task Force 151, a multinational naval deployment on counter-piracy duty in the Gulf of Aden for a three month stint, with the US handing over the reins yesterday.

The job entails the co-ordination of warships from North Atlantic Treaty Organisation members and a number of other countries. The CTF 151 com...

Thailand

- **Thai economy set for 3.5% growth**

Thailand's economy is expected to grow in a range of three per cent to 3.5 per cent this year, boosted by government spending and a recovery in domestic consumption, Finance Minister Korn Chatikavanij said yesterday. "This year's growth would be driven by budget disbursements following the government's planned stimulus package. If we can use our tools effectively, we will surely have money injected into the economy,' he said during a seminar.

- **EC rejects meddling charges against PM**

The Election Commission has rejected a complaint filed by Senator Ruangkrai Leekitwattana and lawyer Picha Vijitsilp accusing Prime Minister Abhisit Vejjajiva and his deputy, Suthep Thaugsuban, of interfering in police matters and other offences.

Ruangkrai: Complaint dismissed

The two asked the commission to investigate and seek the Constitutional Court's impeachment of Mr Abhisit and Mr Suthep for four instances of alleged wrongdoing.

EC secretary-general Suthiphon Thaveechaiyarn yesterday said the body elected to dismiss all four accusations.

On the first claim, the complainant alleged the prime minister had intervened in the police investigation into the attempted assassination in April last year of Sondhi Limthongkul, core leader of the People's Alliance for Democracy, by sending then police chief Patcharawat Wongsuwon on an assignment to China before questioning senior police officers about the case's details

Mr Suthiphon said the majority of the EC members ruled that Mr Abhisit, as prime minister, had the authority to look into the case's details and Pol Gen Patcharawat's trip to China was an ordinary overseas trip.

In the second accusation, it was alleged that the prime minister had gone over the head of the national police chief by ordering the appointment of Wiwat Khamchamnan to investigate the Sondhi case.

Mr Suthiphon said the majority of the EC ruled the prime minister was a supervisor of the Royal Thai Police and therefore in a position to appoint Pol Col Wiwat, a recognised crime suppression expert, to work on a case that was being closely followed by the public.

On the third accusation, they alleged Mr Abhisit and Mr Suthep had intervened in the police reshuffle by sending then police chief Pol Gen Patcharawat on an overseas trip before trying to influence senior appointments.

The EC ruled unanimously to drop the charge because there was no reshuffle of senior police officers during the time Pol Gen Patcharawat was overseas.

On the fourth accusation, the two alleged Mr Abhisit intervened in the appointment of the acting national police chief and unlawfully appointed Pol Gen Wichian Potphosri, who was not qualified for the post.

The EC secretary-general said the commission members ruled unanimously to dismiss the charge, because the 2004 National Police Act authorised the prime minister to appoint an acting national police chief and did not state the qualifications necessary for the position.

- **HSBC, KDB and Thai lender in bid race for Siam City Bank**

Thailand snapped back on to foreign investors' radar yesterday, as HSBC, Korea Development Bank and a local lender jostled for a US\$900 million stake in seventh-ranked Siam City Bank.

Europe's biggest bank and state-owned KDB face a tough competing bid by Thanachart Capital's Thanachart Bank, which is 49 per cent-owned by Canada's Bank of Nova Scotia, said a source close to the deal, who asked not to be identified.

The race for a 47.6 per cent stake in the Thai lender - the biggest that is still up for sale - underscores the lure of South-east Asia as the global banking industry seeks new funding sources and as Thailand's economic recovery gathers momentum.

Despite a stubborn political crisis marked by violent street protests, an airport blockade and an assassination attempt in the past two years, Thailand is seeing a tentative recovery in investment, drawing US\$1.9 billion in foreign fund inflows in 2009.

The main Thai stock index rose 63 per cent last year, making it Asia's seventh-best performer.

Final bids for Siam City are due by Jan 25, the source said.

The market expects bids to be at around 1.5 times book value, Bryan Song, head of research at BofA-Merrill Lynch in Seoul, wrote in a note. 'Since it's the largest (Thai) bank left for sale, the deal may be closed at a premium.' SCIB shares rose 1.8 per cent to 28.50 baht, reversing losses last week on concern that bids would be below market expectations. The overall market was flat.

An HSBC official declined to comment, but the bank has a large presence across Asia and often participates in auctions of banking or financial industry assets.

KDB has said it wants to be among the world's top 20 commercial and investment banks by 2020, targeting acquisitions at home and abroad to secure deposit bases ahead of the government's planned sale of a stake. It offered to buy more than 25 per cent of Lehman Brothers before Lehman collapsed in September 2008, but talks failed over price and market uncertainty at the time.

Thanachart, however, appears to be the leading bidder, said BofA-Merrill's Mr Song and another analyst. The Thai bank has been buying SCIB shares on the market, helping to more than double SCIB's share price over the past eight months to 28 baht.

A Thanachart official declined to comment.

SCIB, founded in 1941 by the Thai government and royal family, focuses on small and medium-sized businesses and is worth US\$1.8 billion. But it has been under-used and has a very low loan/assets ratio, BofA-Merrill said. SCIB has 407 branches in Thailand.

HSBC is in the process of placing a bid for the remaining units that Royal Bank of Scotland is selling in Asia, sources have told Reuters. HSBC also nearly bought 51 per cent of South Korea's KEB, though the auction fell apart late in 2008.

KDB is one of several South Korean banks, including Kookmin and Shinhan Financial Group, that see South-east Asia as a potential growth area. South Korea's top steelmaker, POSCO, is also in talks to take over a Thai business, Thainox Stainless.

KDB's CEO, Min Euoo-sung, was visiting Thailand to discuss the bid, a spokesman at the bank said yesterday.

- **THAILAND: Hino builds engine plant in Thailand**

This article is locked. You need to be a Full Member of just-auto to view this article. Existing users, please login at the top of the page.

Summary: Hino Motor is building a new diesel engine production line at its Chonburi plant in Thailand, according to Takeo Saito - president of local distributor Hino Motor Sales Company. Engine assembly at the new facility is scheduled to begin in mid-2010 and will replace imports from Japan.

Word count: 206

Date: 18 January 2010

Source: Tony Pugliese

Becoming a Full Member of just-auto is simple and will take less than a minute to complete. To start the membership process click [here](#).

Benefits of being a Full Member include: complete access to all news articles, features and analysis, a library of free management briefings to download,

with a new briefing published each month, the ability to create specific personal email alerts and RSS feeds along with an exclusive 5% discount of all research published by just-auto.

Join just-auto now and get a 30-day membership satisfaction guarantee.

- **Thailand to restart petrochemical projects**

By Tim Johnston in Bangkok

Published: January 18 2010 12:00 | Last updated: January 18 2010 12:00

Thailand has created a framework that should allow some Bt230bn (\$7bn) of suspended petrochemical projects south-east of Bangkok to restart later this year.

A court ordered work to stop on 79 projects at the Map Ta Phut industrial estate last September after it found the government had failed to fulfil its constitutional obligations when it licensed the developments.

EDITOR'S CHOICE

Environmental ruling threatens Thai growth - Oct-03

Thai court rules 65 projects remain suspended - Dec-02

The court ruled that the government should have required the companies involved to have to carry out full environmental and health impact surveys before the licences were granted.

A committee of representatives from the government, industry and the local environmental groups that brought the initial case has reached an agreement on the scope of the health and environmental assessments, and for a procedure of legal challenges.

A temporary 19-member committee will be formed to advise the government on health and environment issues until a permanent body can be formed. Once that is in place, the companies involved, which include PTT Group, Siam Cement Group, BlueScope Steel, Bayer and Aditya Birla Chemical, should be able to carry out the necessary assessments and re-apply for their operating licences. The government estimates the process should take between six and nine months before the projects are up and running again.

PTT, Thailand's largest energy company and owner of 18 suspended projects worth Bt100bn, estimates that the ruling could cut net profits for this year by as much as 5 per cent.

Although a higher court subsequently allowed 14 projects to go ahead, the decision to halt work at Map Ta Phut sent shockwaves through the domestic and international investor community. They were worried that it added a new layer of regulatory uncertainty to an investment environment already struggling with a political risk premium.

Map Ta Phut has been operating since the mid-1990s, and the original case was bought by local groups, which were already upset by the high levels of pollution created by existing plants and were keen to ensure it was not exacerbated by the new projects.

The government has moved fast to try and limit the damage, appointing Anand Panyarachun, a former prime minister, to try to broker a deal. On a visit to the area on Saturday, Abhisit Vejjajiva, the prime minister said the cabinet had approved Bt800m to improve medical care for local residents.

Korn Chatikavanij, Thailand's finance minister, said there could be a silver lining to the suspension.

"The issues we are facing are ones that every industrial nation is facing and these are questions that need to be answered worldwide," he told the Financial Times recently.

"I don't think the world should be competing on which country allows the greatest level of emissions and if Thailand can lead the way as to how industry can work with local communities, I think that is a very positive move for the country long term."

- **PM rules out Council of State intervention**

The cabinet cannot ask the Constitution Court to rule on the Police Commission's decision to reinstate three senior officers dismissed on the recommendation of the national corruption agency, the prime minister says.

Quoting the secretary-general of the Council of State, the government's legal adviser, Prime Minister Abhisit Vejjajiva said the Constitution Court rules on disputes between constitutional organisations, or disputes between those organisations and the cabinet.

In this case, the Police Commission was not a constitutional organisation.

Mr Abhisit said Deputy Prime Minister Suthep Thaugsuban, who chairs the Police Commission, did not raise the reinstatement decision in cabinet yesterday.

The matter would now go to the Royal Thai Police Office so acting police chief Pateep Tanprasert could raise the matter with the Council of State, he said.

Pol Gen Pateep agreed to help settle the row between Mr Abhisit and the Police Commission over the sacked officers by raising the legitimacy of the commission's decision to reinstate them with the Council of State.

The commission last week confirmed its resolution to reinstate former police chief Patcharawat Wongsuwon, former Bangkok police commander Suchart Muankaew and former Udon Thani police chief Permsak Paradonsak.

The three were dismissed by the government after the National Anti-Corruption Commission ruled last year they had mishandled protests in 2008 by the People's Alliance for Democracy.

The case of Pol Gen Patcharawat and Pol Lt Gen Suchart involves a rally in Bangkok on Oct 7, 2008, when PAD members took to the streets to block then prime minister Somchai Wongsawat from reaching parliament to present his government's policy statement.

Pol Maj Gen Permsak was dismissed over events that occurred during a PAD rally that took place in Udon Thani on July 24, 2008.

Two protesters died during the Bangkok rally and hundreds were injured.

The dismissal order came shortly before Pol Gen Patcharawat was due to retire at the end of September last year. Reinstatement would restore his retirement benefits.

The three officers appealed to the Police Commission against their sackings.

Council of State secretary-general Porntip Jala said the council had already ruled last year that it was not the cabinet's task to seek a Constitution Court ruling on the matter.

That was a matter for the Police Commission.

If Pol Gen Pateep asked the Council of State to again rule on the issue, the council would stand by its original decision, Khunying Porntip said.

Khunying Porntip suggested the three officers appeal to the Administrative Court to consider overturning their dismissal.

- **1,500 defence volunteers to be recruited**

The cabinet has approved the deployment of almost 1,500 new defence volunteers to the lower South to strengthen security in the region.

Bomb experts examine a crater in a road in Ban Bua Thong in Yala's Than To district yesterday morning after a bomb seriously injured four soldiers. The experts detonated a second bomb. MUHAMMAD AYUB PATHAN

The state of emergency in the restive provinces will remain in force until at least mid-April.

The cabinet yesterday approved a request from the Interior Ministry for a 263million baht budget to recruit 1,440 volunteers for the region.

The volunteers will help civilian officials, police and soldiers in Yala's Muang and Betong districts; Pattani's Muang district; Narathiwat's Muang and Sungai Kolok districts; and Songkhla's Hat Yai district. About 240 volunteers will be deployed to each district.

Deputy government spokesman Supachai Jaisamut said the volunteers had already been recruited and were now receiving training.

The cabinet also approved extending the Executive Decree on Public Administration in Emergency Situations in the lower South for another three months to April 19.

The extension was requested by the Internal Security Operations Command.

The extension was required to provide adequate protection for locals, Mr Supachai said, despite the government's claim of successfully reducing violence over the past three months, during which 171 people suspected of involvement in attacks have been detained.

Four soldiers from a teacher protection group were seriously injured yesterday when a bomb buried under a road in Yala's Than To district exploded.

The group of 11 soldiers, travelling in two Humvee vehicles, stopped on Ban Bua Thong-Ban Rae road shortly before 8am to secure the way for teachers travelling to Ban Bua Thong school.

The bomb exploded just minutes after Capt Manop Passamo and his subordinates got down from their vehicles.

The captain, Cpl Fairat Raknarong, Sgt Puwadol Khonklong and Pvt Areepeng Seera were injured in the blast. They were rushed to Than To Hospital before going to Yala General Hospital.

The bomb, made from a fire extinguisher stuffed with explosives, was believed to be detonated by radio.

- **Migrant workers given deadline warning**

Migrant workers from Laos, Burma and Cambodia must apply for nationality verification by the end of next month even though the cabinet has extended the completion deadline by another two years.

The government initially set Feb 28 as the deadline for migrants to complete verification, but the cabinet on Tuesday decided to extend the deadline to Feb

28, 2012.

Deputy director-general of the Employment Department Suphat Kukhun yesterday said migrant workers from Laos, Burma and Cambodia whose work permits were due to expire, mostly this month, must submit applications for nationality verification and temporary work permits by the end of next month. If they fail to do so, they would be regarded as illegal workers.

If caught, they could be arrested and deported. Observers say the nationality verification process by Lao and Cambodian officials has proceeded smoothly.

However, in the case of Burma, the verification process has been slow.

The whole process is expected to be completed within two years.

Mr Suphat said the government would take action against migrant workers who fail to apply for verification from Feb 28 onward.

The first target of the checks would be over 120,000 migrant workers who have registered with the government as migrants but have not yet applied for permits to work in Thailand.

Another group that would soon face examination are those applying for nationality verification but have not gone through the process, Mr Suphat said.

The verification process is a bilateral activity between Thailand and neighbouring countries, he said.

Human rights activist Somchai Homlaor said non-governmental organisations working on labour and human rights issues were concerned that slow nationality verification, especially by Burma, could result in the verification for some migrants taking more than two years.

Mr Somchai also said authorised private companies offering to process verification for migrants had been demanding that Burmese migrants pay between 7,500 and 15,000 baht each, much more than the governmental agencies charge.

He urged the government to cap the private firms' service charges.

There are about 1.4 million migrant workers from Laos, Cambodia and Burma, Mr Somchai said, but only about 10,000 have gone through the verification process.

About 90% of the 1.4 million migrant workers are from Burma.

- **Investment interest in Thailand soars to 40-yr high**

The value of investment applications in Thailand soared to a 40-year high of 723.4 billion baht (S\$30.7 billion) last year, showing confidence in

the country despite its problems, the Board of Investment (BOI) said yesterday.

The figure was 80 per cent above the BOI's target and 67.4 per cent higher than in 2008, its secretary-general, Atchaka Sibunruang, said in a statement.

The value of foreign investment applications alone increased 18 per cent from 2008 to 351 billion baht, BOI data showed.

'The unexpected surge in potential investment value last year is considered a reassurance that Thailand remains an interesting investment destination in the eyes of foreign investors, despite internal and external hurdles, such as the Map Ta Phut impasse and the global economic slowdown,' Dr Atchaka said.

A court has suspended 64 operations at Map Ta Phut, Thailand's largest industrial estate, because of environmental concerns. Some of Thailand's biggest firms and several foreign companies have been caught up in the affair.

The government is working to resolve the problem and Prime Minister Abhisit Vejjajiva has said that a way out should become clearer in the first half of this year

Dr Atchaka said that the four most attractive sectors to foreign investors last year were services and public utilities, electronics and electrical appliances, agriculture and agricultural products, and automobiles and parts.

Thai industrial sentiment rose to a 44-month high of 113.6 last month from 104.7 in November, lifted by higher orders, production and earnings, said Santi Vilassadanont, chairman of the Federation of Thai Industries.

It was the third straight month the index has stayed above 100, indicating operators felt the situation was improving.

However, oil prices, domestic politics and the industrial estate case remained a worry, Mr Santi said

Political uncertainty is on the rise again this year as supporters of ousted ex-premier Thaksin Shinawatra plan big anti-government protests to force new elections.

Thai 'red shirt' demonstrators are planning a symbolic rally next week near Bangkok's main airport, but insisted yesterday that there would be no repeat of a crippling blockade a year ago by a rival protest movement.

The anti-government group said that it was considering a brief demonstration on the road leading to Suvarnabhumi Airport to highlight the government's failure to prosecute 'yellow shirt' protesters, who shut down two airports in December 2008.

The eight-day blockade by the yellow-shirted People's Alliance for Democracy (PAD), which helped undermine two governments backed by Thaksin, disrupted trade and left at least 230,000 tourists stranded.

- **Thailand's Kasikornbank Deploys J.P. Morgan's U.S. Dollar Clearing Solution To Expedite China Payments**

J.P. Morgan today announced that Thailand's KASIKORNBANK ('KBank') will offer faster U.S. Dollar payments to its clients in China by using J.P.

Morgan's U.S. Dollar Clearing - Asia Direct solution. With the solution's intelligent routing technology, KBank and its clients will benefit from accelerated U.S. Dollar settlement and more efficient liquidity management.

J.P. Morgan's U.S. Dollar Clearing - Asia Direct is the first and only payment solution to provide direct access to multiple regional and in-country U.S.

Dollar clearing systems in China, Hong Kong, Japan and Taiwan from a single U.S. Dollar account. Clients are not required to establish separate accounts in each country of clearing, resulting in better cash concentration, lower fees, simplified funding arrangements and decreased time spent on reconciliation activities. By expediting their payments, J.P. Morgan's clients are also positioned to improve their relationships with counterparties, which can assist them in negotiating better terms.

Kittipan Jampravit, senior vice president and head of KBank's International Trade Product and Business Process Development department, said: "We are pleased to expand our long-standing relationship with J.P. Morgan. The bank's client-centric approach and innovative technology made the choice easy for us. We look

forward to further expanding this successful partnership"

"We are confident in J.P. Morgan's ability to support our U.S. Dollar payment needs. We strive to continuously deliver service excellence to our clients, and we believe that J.P. Morgan's U.S. Dollar clearing - Asia Direct service will allow our clients to increase their efficiency through faster settlement time for their U.S. Dollar payments to China and throughout Asia" added Songpol Chevapanyaroj, executive vice president and head of KBank's Corporate and SME Products division.

"As a result of the increasing intra-Asia trade flows, enhancing the efficiencies of U.S. Dollar payments, particularly within the Greater China region and Japan has become essential for all banks within Asia. Thailand remains an important market for J.P. Morgan, and we are confident that our unique U.S Dollar Clearing - Asia Direct solution will enable KASIKORNBANK to provide greater efficiencies to its existing and potential clients, thereby enhancing the bank's competitiveness" said Percy Batliwalla, managing director and Asia Pacific head of financial institutions - banks at J.P. Morgan Treasury Services.

J.P. Morgan is the world's largest U.S. Dollar clearing and commercial bank. J.P. Morgan Treasury Services leverages the services and products of its Worldwide Securities Services division, as well as its Investment Bank, Asset Management and Private Bank lines of business to provide its clients with integrated banking solutions.

About J.P. Morgan Treasury Services

The Treasury Services business of J.P. Morgan is a top-ranked, full-service provider of innovative payment, collection, liquidity management, trade finance, commercial card and information solutions to corporations, financial services institutions, middle market companies, small businesses, governments and municipalities worldwide. With more than 50,000 clients and a presence in 39 countries, J.P. Morgan Treasury Services is one of the world's largest provider of treasury management services and a division of JPMorgan Chase Bank, N.A., member FDIC. More information can be found at www.jpmorgan.com/ts.

About JPMorgan Chase & Co.

JPMorgan Chase & Co. (NYSE: JPM) is a leading global financial services firm with assets of \$2 trillion and operations in more than 60 countries. The firm is a leader in investment banking, financial services for consumers, small business and commercial banking, financial transaction processing, asset management and private equity. A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. serves millions of consumers in the United States and many of the world's most prominent corporate, institutional and government clients under its J.P. Morgan and Chase brands. In Asia Pacific, J.P. Morgan operates through 26 offices in 15 countries and has developed its wholesale banking franchise during a history of almost 160 years in the region. More information about JPMorgan Chase & Co. is available at www.jpmorganchase.com.

- **Thailand may supply poultry to Russia to replace U.S. imports**

Russia may allow U.S. poultry exports for 2-3 months - paper

Russia-U.S. poultry talks 'may last until end of 2010'

U.S. should respect Russian norms to continue poultry imports - official

Russia, U.S. to hold poultry talks in Moscow
Russian producers say ready for ban on U.S. poultry
Putin warns U.S., says Russia could find other poultry suppliers
18:2620/01/2010

Thailand, a major chicken exporter in Southeast Asia, is prepared to supply poultry to Russia to compensate for U.S. imports that fail to comply with Russian standards, Russia's agricultural regulator said on Wednesday.

Sergei Dankvert, head of Russia's farm watchdog Rosselkhoznadzor, held talks on Wednesday with Thai Charge d'Affaires in Russia Sompong Sanguabun to discuss poultry supplies.

"The Thai side said it was sincerely interested in starting large-scale poultry supplies to the Russian market and guaranteed strict compliance with Russian veterinary and sanitary standards," Rosselkhoznadzor said on its website.

Russia imposed a ban on the import and sale of chlorine-treated poultry as of January 1, citing new safety requirements. The change in regulations primarily affects U.S. imports, and Washington said it would damage its poultry industry and push prices up for Russian consumers.

Russia's quota for the United States this year is 600,000 metric tons of poultry. Imports from the United States, the world's largest poultry producer and exporter, accounted for some 22%, or 750,000 tons, of poultry consumed in Russia last year.

Russian producers and public have long been speculating over the possible dangers of the U.S. product, citing excessive levels of hormones, antibiotics, chlorine and other chemicals.

- **Thailand's AIS plans \$335m expansion**

AIS, part-owned by SingTel, is to spend \$335 million on expanding its network in Thailand in 2010, SingTel has a number of strategic investments across the Asia Pacific region, potentially showing strong growth over the next few years.

Thailand's largest mobile phone operator, Advanced Info Service, may spend \$335 million to expand its network in 2010. The company, which had 28.5 million subscribers in 2009, is targeting 1.5 million net new subscribers in 2010.

AIS has partnered with state-owned TOT to allow its customers to access third generation services on TOT's spectrum from the start of February 2010. AIS will transfer all revenue collected from customers using TOT's 3G services, to TOT, said AIS CEO Wichian Mektrakarn.

AIS, which currently operates in Bangkok, Chiang Mai, Chonburi and Hua Hin, is looking to expand the 3G service on its existing 900 MHz network to 15-22 more cities in Thailand.

AIS, which is 21.4% owned by Singapore Telecommunications, has no plans for additional borrowing this year, as it has around \$606 million to \$910 million in cash available for investment. GTB

- **CIMB Thai posts profit for FY09**

CIMB Thai Bank Plc, a 93.15% subsidiary of CIMB Bank Bhd, registered a net profit of 1.7 million baht for the financial year ended Dec 31, 2009 (FY09) compared with a two billion baht loss in FY08 as a result of two successive quarters of profitable operations.

CIMB Thai also saw a 6% year-on-year growth in revenue to 6.9 billion baht, driven by the expansion in non-interest income on the back of robust fee income, gains from the sale of investments and dividend income.

It had also improved its asset quality by reducing total gross non-performing loans by 6% year-on-year, CIMB Group Holdings Bhd told the stock exchange.

- **Siriraj Hospital claims world-first in blood clot treatment**

Siriraj Hospital has successfully trialled a ground-breaking new treatment for blood clots called acute aortic saddle embolism and poor blood flow to the lower limbs.

Orrawan: "I am delighted that I can walk again and I would like to say thanks to all the doctors." APICHIT JINAKUL

The world-first treatment involves a new method of circulating the blood through haemodialysis during surgery to remove clots.

The dean of medicine at Siriraj, Theerawat Kultanan, said the treatment was a world first and had been published in the European Journal of Vascular and Endovascular Surgery.

"We are so proud that it is an idea of Thai doctors, Thai people," he said.

Orrawan Kitiphan, 62, the first patient with acute aortic saddle embolism to undergo the new treatment in 2008, said she had such severe pain in her legs that she could not walk. After the surgery she was able to walk again and was fully recovered after four months.

"I am delighted that I can walk again and I would like to say thanks to all the doctors," she said.

About 30 patients suffering from severe acute aortic saddle embolism and ischemic lower limbs are admitted to the hospital every year, Dr Theerawat said.

The main causes of severe acute aortic saddle embolism are blood clots in the heart and arteries in the chest and abdominal cavity which break off and travel through the bloodstream, chief of vascular surgery Pramook Mutirangura said. It causes a blockage in one of the major arteries in the legs, cutting off the blood supply to the lower part of the body, he said.

"If there is no instant treatment, it could become life-threatening," he said.

Severe leg pain and cold, mottled and bluish skin are the first symptoms of blood clots forming in the legs, Dr Pramook said.

The new treatment circulates blood from severely blocked lower limbs through haemodialysis during surgery to remove the clots and returns it to the patient through the neck. "This method helps purify or clean the blood before putting it back," Dr Pramook said.

- **Thaksin ends defence with harsh condemnation of ASC**

Former prime minister Thaksin Shinawatra is accusing the Assets Scrutiny Committee of distorting the facts and filing charges against him that contradict documentary evidence and witnesses in seeking to seize his assets.

In his 162-page closing statement in his assets seizure case, filed by his lawyers yesterday with the Supreme Court's Criminal Division for Holders of

Political Positions, Thaksin says the now disbanded ASC merely "assumed" he acquired his 76 billion baht in wealth through abuse of office.

The lawyers, Chattip Tanthaprasat and Polpee Tulayasuwan, filed the statement with the court which is deciding whether the seized assets were acquired illegally.

The court will deliver its verdict on Feb 26 at 1pm.

If found guilty, Thaksin will lose the 76 billion baht he allegedly amassed during his two terms in office from 2001 to 2006.

Thaksin used the closing statement to deny he covered up his shares in Shin Corporation _ which made most of the 76 billion baht through the sale of the shares _ by putting them in proxy accounts held by his children and other relatives. He also denied his government issued measures that caused the price of Shin Corp shares to surge.

The measures include converting telecommunications concession fees into an excise tax payment, cutting the mobile phone concession fee and networking fee for Shin Corp's cell phone operator, Advanced Info Service, and approving a soft loan of 4 billion baht to Burma to buy telecommunication systems from Shin Satellite.

Thaksin said the price of Shin Corp shares had gone up as a result of increased demand. He insisted he had never been involved in any corruption during his tenure as prime minister. The asset seizure case was politically motivated, he said.

Thaksin did not attend any of the court hearings as he fled the country to avoid a two-year jail sentence for abuse of power in connection with the Ratchadaphisek land deal.

Meanwhile, the Appeal Court yesterday upheld a lower court decision to drop a defamation suit filed by Potjaman na Pombejra, Thaksin's former wife, against the ASC chairman and a newspaper.

Khunying Potjaman accused former ASC chairman Nam Yimyaem and the publisher of the Thai-language daily Thai Post of defaming her.

In her lawsuit, Khunying Potjaman said a newspaper interview given by Mr Nam suggested she had acted as if she had stolen the valuable Ratchadaphisek land.

She insisted she had obtained the prime land honestly by bidding for it.

The court ruled Mr Nam only told the media about the procedure of the ASC investigation of the land deal.

Nowhere in the interview did he defame Khunying Potjaman.

- **Minister considers new bids for rice**

Porntiva hopes talks can push up prices

The government may recall the latest rice bids, particularly for glutinous rice, if the prices offered by exporters are considered too far below market prices, says Commerce Minister Porntiva Nakasai.

But the decision will depend on price negotiations by the ministry's Foreign Trade Department, which started bargaining yesterday with the bidders offering the highest prices at the tender staged this week, she said.

Final prices were due to be proposed to Mrs Porntiva for approval on Monday and to the cabinet on Tuesday.

The minister said the final decision on whether to stage new bids would rest with the National Rice Policy Committee and the cabinet.

"The Foreign Trade Department's director-general has been given full authority to decide the best prices for the government," she said yesterday.

"I will just add comments if the prices offered are too low compared with market prices [in the interest of] creating the greatest benefits and curbing hefty operating losses for the government.

The government on Thursday opened bids to sell about 375,000 tonnes from its rice stocks, drawing offers from 22 companies for far more than the amount being offered.

Bidders have proposed offers for a total of 489,308 tonnes, with 5% white rice making up 246,206 tonnes and glutinous rice the rest. The total proposed prices are worth 7.06 billion baht.

The bidding prices for white rice are 14,000 to 16,000 baht a tonne, with glutinous rice at 10,000 to 17,000 baht. Lower bid prices offered despite high demands from the world market.

The market price for white rice is currently quoted at about 16,900 to 17,000 baht per tonne, with the price for glutinous rice as high as 22,000 to 22,100 baht per tonne.

However, the minister said she was still optimistic that the Foreign Trade Department through bargaining would achieve better prices with exporters given the world's strong demand for rice and the robust price outlook.

According to the United Nations Food and Agriculture Organization, rice prices are unlikely to fall before March as major exporters restrict overseas sales amid lower supplies.

"Prices are unlikely to subside before newly harvested crops reach the market in March and April," the FAO said yesterday.

Rice exports dropped in China, Pakistan, Thailand and the US and government curbs in India and Egypt also restrained availability in 2009, it said.

Rough rice has advanced 22% on the Chicago Board of Trade from last year's low as the Philippines, the biggest buyer, accelerated purchases to secure supplies after storms destroyed at least 1.3 million tonnes of the crop. Concern that India may become a net importer after a drought has also lifted prices.

Global production last year totalled 678 million tonnes, a decline of 2% from a year earlier, the FAO said.

Still, the global rice trade this year is projected to increase to 30.5 million tonnes from 30 million in 2009, driven by demand from the Philippines, Brazil and the US. Exports by Thailand, China, Burma and Vietnam are expected to rise, said the FAO.

World stocks at the end of the 2010 marketing year are forecast to rise by 6 million tonnes to 123 million tonnes, according to the FAO. It has revised up India's closing stock forecast for 2009-10 to 13.6 million tonnes, from 11 million projected last September.

- **Scientists urge swift action to protect cassava crops**

Swift action must be taken to prevent severe pest and disease outbreaks in cassava plantations across Thailand and Southeast Asia, international experts say.

The measures include comprehensive research, better regional monitoring and more rigid quarantine procedures.

International Centre for Tropical Agriculture (CIAT) scientists have issued a "red alert" urging the region to tackle pest and disease outbreaks in cassava crops, quickly imposing strict quarantine regulations on the movement of cassava.

"Without decisive action and donor support, we expect a huge slump in cassava output in Southeast Asia," said Bangkok-based Tin Maung Aye, a cassava expert and soil scientist at CIAT.

"That would be devastating for rural livelihoods in the region."

Some 5 million small farmers grow cassava in the region, mainly to supply the starch processing and animal feed industries.

In Thailand, the industry is worth US\$1.5 billion (about 50 billion baht) and the country makes up about 75% of global cassava exports, CIAT said.

Department of Agriculture officials attributed the rise in tapioca prices, from less than two baht per kilogramme to 2.7 baht now, to the fact that the cassava plantation area surged to 8.4 million rai in 2008 from 6.7 million in 2007.

Tapioca starch is extracted from the cassava plant.

But the uncontrolled expansion of cassava farms led to disease outbreaks in some 100,000 rai across the country _ from the northeastern to eastern provinces, and now to western provinces such as Kanchanaburi and Kamphaeng Phet in Central Thailand _ said a source at the Agriculture and Agricultural Cooperatives Ministry.

The speed and spread of the outbreaks made it difficult to accurately estimate the damage, the source said.

"It's important that we have proper and swift knowledge to inform farmers," the source said.

"It's equally necessary to ensure entire communities follow our guidelines, and don't follow traditional beliefs that mealybugs are easily wiped out by rain."

The Agriculture Ministry has provided more than 60 million baht to address the problem, but concrete action had yet to take place, the source said.

Mr Tin Maung Aye said mealybugs are sap-sucking insects that weaken plants, resulting in leaf distortion and lower root yields.

"Farmers therefore need to select and safely store clean planting material," he said.

"Establishing an effective surveillance and monitoring system with a GIS [geographical information system] database is also essential."

Some analysts now predict Thai cassava output will plummet by at least 30% this season, with some farmers facing losses as high as 80%.

Many farmers have already abandoned their crops and official figures show the area of cassava plantations dropped to 8.2 million rai this year.

"These pests and diseases will place a huge strain on Thailand's cassava production, not only on the incomes of 400,000 cassava growers, but also the many labourers employed in the cassava industry," said Mr Tin Maung Aye

Vietnam

- **Vietnam to Start Marketing \$1 Billion Bond**

Vietnam is the next emerging-market borrower to try to tap the international bond market: It will begin marketing a \$1 billion, 10-year bond offering on Monday, a person familiar with the deal said Friday.

The offering comes after Indonesia and the Philippines raised a combined \$3.5 billion earlier this month. Mexico, Turkey and Poland also have sold debt.

Vietnam, which is rated in ...

- **China, Vietnam mark 60th anniversary of diplomatic ties**

China and Vietnam held a reception in Beijing on Friday to mark the 60th anniversary of diplomatic ties.

Chen Haosu, president of the Chinese People's Association for Friendship with Foreign Countries, said China and Vietnam were friendly neighbors, which had

frequent high-level visits, broad trade and economic cooperation, and cultural exchanges. Chen said the establishment of the China-ASEAN Free Trade Area (FTA) on Jan. 1, 2010 will further boost the mutually-beneficial cooperation between China and Vietnam.

Vietnamese Ambassador to China Nguyen Van Tho said he believed a series of activities to mark 2010 as the year of China-Vietnam friendship will advance the bilateral relations to a new high.

About 120 guests from both countries, including Chen Zhili, vice chairwoman of the Standing Committee of the National People's Congress, attended the reception.

China and Vietnam forged diplomatic relations on Jan. 18, 1950.

- **China, Vietnam to embrace new developments in cooperation: Chinese ambassador**

China and Vietnam, two traditional friends, are going to see new developments in all-round cooperation in 2010, said Chinese

Ambassador to Vietnam Sun Guoxiang in an recent interview with Xinhua.

China and Vietnam are to embrace the 60th anniversary of the establishment of diplomatic relations on Jan. 18. The two countries have decided to hold various kinds of activities throughout the year to celebrate the six-decade diplomatic ties.

Early in the middle of last century, China and Vietnam forged the close bond like "comrades and brothers", said Sun.

The two sides have seen continuous development of traditional friendship and comprehensive cooperation over the past years under the care and guidance of leaders of the two countries, Sun said.

In 2008, China and Vietnam decided to establish comprehensive strategic cooperative partnership, he said.

Last year, despite the global financial crisis, bilateral trade went up to exceed 20 billion U.S. dollars, said Sun. China has become Vietnam's largest trading partner for six consecutive years.

Investment of Chinese companies to Vietnam has totaled nearly three billion U.S. dollars so far, said Sun. Economic and trade cooperation between China and Vietnam is becoming deeper and wider.

Sun said the year of 2010 is decided by leaders of the two countries to be China-Vietnam's Year of Friendship. The two sides will hold activities in economic and trade, education, culture, tourism and other fields to strengthen ties and cooperation.

These activities are expected to further enhance mutual understanding and political trust to enrich and bilateral comprehensive strategic cooperative partnership, said Sun.

The activities will also be good opportunities to educate young peoples of the two countries about traditional friendship, laying a good foundation for the future development of bilateral relations.

In the beginning of this year, Vietnam assumed the chairmanship of Association of Southeast Asian Nations (ASEAN). Sun said China will provide support to Vietnam as the new chairman and he believed cooperation between China and ASEAN will be further enhanced during this year.

China and ASEAN established Free Trade Area in the beginning of this year, with expected new developments in the fields like finance, infrastructure, agriculture and rural areas.

- **Vietnam aims for strong telecom industry**

A plan to develop a strong telecommunication industry, set to be approved this year will boost the use of information technology in government agencies, Prime Minister Nguyen Tan Dung said Friday.

Addressing a conference in Hanoi, he said an efficient e-government in Vietnam would facilitate the administrative reform process and increase transparency within government agencies.

He also ordered the Ministry of Information and Communications to improve training and infrastructure for the telecommunication industry, as well as develop strong telecom companies that are able to compete in the global market.

The ministry has to ensure that television reaches all households in the country, Dung said, noting that around six million families do not have access to television now.

A report released at the conference showed strong growth across the industry last year. The post and telecommunication sector alone posted revenues of US\$7.7 billion, up 61 percent from 2008. Meanwhile, the information technology sector reported a growth of 20 percent in revenues, reaching \$6.26 billion last year.

- **US vets return to see grim legacy of Vietnam War**

A piece of shrapnel sliced Jerry Maroney's right leg. A bullet pierced Peter Holt's neck. Les Newell took a shot in the rump.

These old American soldiers recovered from the physical scars of combat long ago. But last week, they visited a place where people still have fresh wounds from the Vietnam War, which ended nearly 35 years ago.

They came to Quang Tri Province, which is still littered with landmines and unexploded ordinance that routinely kill and maim people trying to scratch out a living in the rice fields. Their visit was organized by the Vietnam Veterans Memorial Fund, which built the Washington, D.C., monument that commemorates the lives of the 58,000 Americans who died in Vietnam.

VVMF sponsors Project RENEW, a non-profit organization that helps Quang Tri residents like Pham Quy Tuan, 41, whose left hand and right arm were blown off by a leftover American projectile he found in a rice paddy four months ago.

"When I realized I'd lost my hands, all I could think about was how much I love my wife and kids, and how I would become a big burden to them," said Tuan, who also suffered severe burns and remains in chronic pain.

The VVMF delegation was led by Barry R. McCaffrey, a retired four-star general who served as President Clinton's drug czar and now appears as a military analyst on NBC news. Also participating were family members of fallen soldiers and Vietnam veterans making their first trip back to Vietnam, several of whom had personal missions.

Thomas J. Whitehouse of Lake Oswego, Oregon, a former U.S. Army captain, wanted to return some medals taken from the body of a Vietnamese soldier four decades ago.

Sam Metters, who has three Bronze Stars and a Purple Heart, hoped to find a school that he and several Army comrades designed for Vietnamese orphans while they were stationed near Saigon.

Judy Campbell of Wilmington, Delaware, planned to visit the spot in Bien Hoa where her brother, Keith Campbell, was killed during a pitched battle on Feb. 8, 1967, three weeks before his 21st birthday. Keith Campbell, a medic, was killed by a sniper just 19 days after he arrived in Vietnam, while saving two injured soldiers during a fierce firefight.

"He was a medic, and medics save lives," said Judy Campbell, who was 17 when her brother died. "That's what Keith did, at the cost of his own."

The delegation began its weeklong tour of Vietnam in Hanoi. They were impressed by the economic boom unleashed by the market reforms the communist country has implemented over the last two decades.

And they were heartened by the warm welcome they received from the people, including those in a Quang Tri district where they dedicated a new elementary school funded by VVMF.

"I feel like a rock star," said Maroney, 62, a former Marine who recently retired from his job as a detective in Long Island, New York. "Look at how well everyone is treating us!"

Maroney was apprehensive before he arrived. "I hated these guys. They killed my friends. We killed them. It was war."

For the Vietnamese in Quang Tri, the war hasn't completely ended.

"It's still a daily part of their lives," said Jan Scruggs, the founder and president of VVMF, who decided to start Project RENEW during a visit to Vietnam in 2000. "Some of them are missing limbs, some have been blinded. It tears your heart out."

According to VVMF, more than 350,000 tons of landmines and explosives remain scattered across the country, much of them in Quang Tri, near the former Demilitarized Zone, or DMZ, which once divided North Vietnam and South Vietnam. The province was the most heavily bombed and shelled during the war, and 92 percent of it remains contaminated with explosives.

Since 1975, when troops from the communist north triumphed, more than 100,000 Vietnamese people have been killed or injured by landmines or unexploded ordinance, more than 7,000 of them in Quang Tri, according to the Vietnamese government.

Project RENEW focuses on three districts in the province, where it educates people about the dangers of landmines and clears the land of explosives. It also assists the injured, providing them with artificial limbs, small loans and job training. The program operates a hotline and has trained two teams to respond quickly when residents spot explosives.

On Thursday, the delegation watched a team detonate explosives that had been found near two homes in the Cam Lo district, including a cluster bomb and a grenade launcher in the yard of 75-year-old Nguyen Thi Yen Thi. Thi was relieved to see them go.

"You never know when those things might explode," said Thi, who has found a half dozen explosives in her yard over the years.

One of them spontaneously combusted on a hot summer day; another blew up when someone was burning trash in her yard. The others were removed without incident.

Two of Thi's nephews have been injured by landmines, a third was killed.

Many victims are children who play with the explosives, unaware of the danger. But many are adults like Tuan, who, before his injury, made a living collecting scrap metal and selling it to junk dealers.

When he discovered the projectile in the rice paddy, Tuan took it home and decided to remove a piece of copper wrapped around the device.

Copper is twice as valuable as the metals he usually collects, for which he typically receives a dollar or two a day.

When the bomb exploded, his wife was out collecting trash, which she recycles for a living. His 11-year-old son and 8-year-old daughter found him in the backyard.

When his wounds are more fully healed, the Project RENEW staff will see if he can be fitted with a pair of prosthetic limbs.

"Nothing would make me happier than a pair of artificial hands," Tuan said. "I'm helpless."

- **Japan eyes Vietnam's nuclear market**

Japan, France and Russia are competing for lucrative contracts to develop nuclear plants in Vietnam, which is seeking to become the first Southeast Asian nation to use atomic power generation.

Businesses and governments from the three countries are extending support, seeking contracts for a feasibility study and eventually for plant construction.

A senior Vietnamese official said the country would pick a partner by considering cooperation in funding and personnel development as well as technological achievements to ensure safety.

Fast-growing Vietnam is counting on nuclear power as a stable energy source of the future.

Other nations in the region have also considered nuclear energy, but citizens' opposition and safety concerns have stalled their plans.

Vietnam's zeal was demonstrated as President Nguyen Minh Triet spoke at an investment seminar in the southern province of Ninh Thuan in October.

The government plans to build four 1 gigawatt reactors in the province. Two are scheduled to start operation in 2020-2021 and the others in 2021-2022.

In an unusual step, the president addressed the business meeting, stressing the safety of nuclear power generation.

Vietnam has so far relied on hydroelectric and thermal power. But the sharp economic growth since the 1990s under the Doi Moi policy is expected to force it to purchase power from its neighbors from around 2015.

The nuclear project, worth well over 1 trillion yen (\$11 billion), was approved by the national assembly in November. An order for a feasibility study will

be placed to a foreign business shortly.

Japan and other countries are aggressively pursuing the deal, believing it will boost the chances of compatriot manufacturers gaining plant construction orders.

The Japan Atomic Industrial Forum Inc. (JAIF), a group of Japanese plant makers and utilities, in 2000 signed a cooperation accord with Vietnam's Atomic Energy Commission.

Japan accepted more than 400 trainees, researchers and others from Vietnam by 2007, while helping developing related laws. Plant makers such as Hitachi Ltd. and Toshiba Corp. are also joining hands in the race.

Mitsutoshi Odera, a senior official of JAIF's international affairs department, says getting a contract for Vietnam's nuclear power plants is a "touchstone" for Japan's plant exports.

To back up business efforts, the industry ministry in May 2008 signed a memorandum of nuclear power development cooperation with the Vietnamese government.

France, Vietnam's former colonial power, is also aggressive. In mid-November, Prime Minister Francois Fillon visited Vietnam with a business entourage.

He signed a memorandum on comprehensive economic cooperation, underlining France's support not only for peaceful use of nuclear energy but aviation, railway, defense and education.

In December, Russia's state-owned atomic energy firm agreed on cooperation for nuclear power generation with Vietnam Electricity.

Indonesia and Thailand are considering starting nuclear power generation around 2020.

- **Kuwaiti diplomat discusses broader cooperation with Vietnamese official**

Kuwait Consul General in Vietnam Abdulrahman Al-Bader has held talks with the director of the

Vietnamese city Ho Chi Minh center for the promotion of trade, Tu Min Tien, discussing business cooperation.

Al-Bader told KUNA on Monday that his talks with the Vietnamese official dealt with activation of the mutual cooperation between the two friendly countries in the commercial, investment and economic sectors.

The Vietnamese official briefed the Kuwaiti diplomat about activities of the center, namely its role for luring foreign investors.

The Kuwaiti diplomat affirmed during the meeting keenness of Kuwait on promoting the economic, commercial and investment relations with Vietnam, indicating

at the role played by the private sector in this regard.

Tien expressed readiness to offer all available and possible facilities for Kuwaiti businessmen seeking to launch ventures in his country.

- **Tadiran Telecom Deploys IP Telephony at Leading Vietnamese Commercial Bank**

Bank for Investment and Development of Vietnam (or BIDV) is one of the Southeast Asian nation's largest state-owned commercial banks, with more than 100 branches, transaction offices, and subsidiary locations. The financial institution was looking for a solution that would enable it to connect all its branches allowing them to communicate amongst themselves for low to no cost via voice over IP (VoIP).

Petah Tikvah-based Tadiran (News - Alert) Telecom answered the call.

The Israeli telecom equipment provider has announced that its solutions, including Tadiran Coral systems, have been chosen by BIDV to provide an IP telephony network throughout the country, in a project valued at over \$3 million.

Tadiran's Coral communications systems function as VoIP telephony servers, traditional switches, or both, combining feature-rich IP technology with traditional TDM telephony. The solutions support MGCP and SIP telephony connectivity, ISP connection via SIP trunks, as well as a host of other IP-related features.

In the case of the BIDV deployment, the network architecture resembles a private network, so that every phone has a four-digit number within the network, enabling seamless communication between branches.

Reportedly, other solutions providers, including Avaya, Alcatel, Siemens (News - Alert), and NEC were also competing to win the BIDV contract. Tadiran

Telecom officials were very pleased with the win and pointed to the company's technology innovation as having positioned it ahead of the competition and as a leading player in the Information and Communication Technology (ICT) market.

"Vietnam is one of the fastest growing ICT markets in the world. Vietnamese companies and institutions seek the cost-efficiency and flexibility provided by IP telephony networks and we are happy to oblige." said Zeev Aviv, VP of Sales and Marketing at Tadiran Telecom. "The contract with BIDV further strengthens our position in two of our strategically chosen markets: Bank telephony networks and the emerging Vietnam ICT market."

Back in November, Tadiran Telecom announced the release of the latest version of its Coral Sea Navigator, designed to bring unified communications (UC) functionality and multimedia over IP to Coral Sea softswitch customers. Coral Sea Softswitch is a uniquely rich-client, unified single-server solution designed to provide organizations with a single platform for more reliable, efficient and cost-effective business interactions.

- **Vietnam aims to carve world's biggest jade Buddha**

An audio slideshow looking at U.S.-funded AIDS clinics in Vietnam

Women marry foreigners, kin get money

Vietnamese man fights abortion with orphanage

HAI DUONG, Vietnam (AP) -- One of the flamboyant entrepreneurs making it big in booming Vietnam unveiled a massive precious stone on Monday that he plans to

transform into the world's largest jade Buddha.

Dao Trong Cuong, the owner of a Vietnamese gem mine, purchased the 35-ton stone in Myanmar last year for \$2 million and imported it to Vietnam in October. By the time a team of 50 artists and sculptors finishes chipping away at it, the finished Buddha is expected to weigh nearly 20 tons.

"We hope to get it into the Guinness Book of World Records," Cuong told a crowd of nearly 2,000 people during a ceremony unveiling the stone, which is 10 feet (3 meters) tall, 6.5 feet (2 meters) wide, and 6.5 feet (2 meters) deep.

Cuong counts some of Vietnam's most powerful political figures among his friends, including President Nguyen Minh Triet, who spoke at Monday's ceremony after about 250 monks in saffron robes chanted and rang bells.

"This unique artistic work will be passed on to many generations," said Triet.

Triet pulled back a curtain covering the massive hunk of jade, which has been temporarily adorned with a painting of a tranquil Buddha sitting in the lotus position.

Cuong said it will take two years to complete the statue.

A search of the Guinness Book Web site showed no entries for the world's largest jade Buddha. But according to Vietnamese media reports, the world's biggest existing jade Buddha weighs 4 tons and stands 9 feet (2.7 meters) tall. It was taken on a tour of Buddhist temples in Vietnam and Australia last year.

Buddhism is the largest religious faith in Vietnam, a nation of 86 million where the government strictly controls religious organizations. While some Buddhist sects have been involved in high-profile conflicts with the government, the monks at Monday's ceremony belonged to the officially sanctioned Buddhist Church of Vietnam.

Like China, its massive northern neighbor, communist Vietnam has implemented market reforms in recent years that have unleashed rapid economic growth, which has averaged nearly 8 percent for the last decade. Once reviled by communist revolutionaries, millionaire businessmen are now seen as role models, creating jobs and developing the country.

Cuong struck it rich in Vietnam's late 1980s gemstone rush. Among his business ventures is a studio that makes artworks out of crushed gemstones, such as rubies and emeralds. He has made portraits of Vietnam's revolutionary hero Ho Chi Minh, former President George W. Bush and Bill Gates.

Cuong, 54, is not shy about displays of wealth.

He was among the first Vietnamese to purchase a Hummer, which cost him \$300,000 to import from the United States.

When a Vietnamese newspaper interviewed him about the vehicle, Cuong said, "I like big, manly things."

- **Australia urges Vietnam to finish airline investigation**

Australia's foreign minister Stephen Smith has spoken to the Vietnamese ambassador over the matter of two airline executives unable to leave Vietnam since

Australia's foreign affairs minister Stephen Smith has stepped-in over the matter of two Australian airline executives who have been unable to leave Vietnam since before Christmas.

The Jetstar Pacific executives have been prevented from leaving Vietnam while authorities investigate a fuel-hedging scheme.

Mr Smith spoke to the Vietnamese ambassador to Australia last Friday about the issue as the Vietnam investigates large losses by Jetstar Pacific as a result of the hedging.

Mr Smith says Vietnam wants the two Australians to help with inquiries only.

"It's been made quite clear to me that the Qantas executives, or the Jetstar executives, are not the focus of the investigation and we've made it clear to the Vietnamese authorities that the sooner the investigation concludes and the sooner the Australians are able to return to Australia then the better we'll all be," he said.

Mr Smith says the executives are not suspects, but that Vietnamese authorities want them to help with the inquiry.

"The ambassador undertook to relay those expressions of interest to the Vietnamese government," he said.

The minister says he also spoke to Australian parent company Qantas about his conversation with the ambassador.

"I also relayed the substance of my conversation to Qantas. I understand Qantas executives remain in direct contact with the Vietnamese authorities - as they should," he said.

"I've made it clear that we would want that investigation to be expeditious to allow those two Australians to return to Australia sooner rather than later."

- **Motorola gets \$70m contract to expand Vietnam's GSM network**

Vendor to deploy 3,000 more base stations over next two years.

Motorola Inc. has been given a \$70 million contract to expand the coverage of Vietnam's Vinaphone mobile phone network, the network owner, Vietnam Posts and Telecommunications Group, or VNPT, said Tuesday.

Under the contract, Motorola will expand the GSM network by building 3,000 more base stations throughout the country over the next two years, VNPT said in a statement.

Last year, Motorola got a \$28 million contract to expand Vinaphone network, it added.

- **S.Korea's Taekwang to build \$4.5 bln plant in Vietnam**

S.Korea STX Shipbuilding says wins \$879 mln ship order

Fri, Nov 13 2009

SEOUL, Jan 20 (Reuters) - South Korea's Taekwang Industrial Co Ltd, an unlisted maker of petrochemical and textiles, said on Wednesday that it would invest \$4.5 billion in Vietnam to build and operate a coal-fired power plant.

The company said its shoe-making business arm in Vietnam, Taekwang Vina, had received approval from the Vietnamese prime minister's office to set up a new electricity business and will build a 2,400 megawatt coal-fired power plant by 2021.

Taekwang said it would sign a memorandum of agreement with the Vietnamese government as soon as in February. (Reporting by Shin Jieun; Editing by Ken Wills)

- **U.S. Ambassador Michael Michalak Deeply Troubled by Conviction of Four Activists By Vietnam Court**

Michael Michalak, U.S. Ambassador to Vietnam, said he is deeply troubled by the January 20 conviction of four activists on

charges of subversion and also concerned about the apparent lack of due process in the conduct of the trials.

“These convictions run counter to the Universal Declaration of Human Rights, and they also raise serious questions about Vietnam’s commitment to rule of law and reform.”

The Judges at the Ho Chi Minh City People’s Court, after a one-day trial, deliberated just thirty minutes before convicting two members of the Democratic Party of Vietnam and two other activists of trying to overthrow the Communist government. Prominent human rights lawyer Le Cong Dinh was sentenced to five years, and Nguyen Tien Trung, seven years. Two other activists were also convicted with Tran Huynh Duy Thuc receiving the longest sentence of 16 years, while Le Thang Long was sentenced to five years.

According to Ambassador Michalak, “These convictions run counter to the Universal Declaration of Human Rights, and they also raise serious questions about Vietnam’s commitment to rule of law and reform.” Mr. Michalak “urged the government of Vietnam to release these individuals and all other prisoners of conscience immediately and unconditionally.”

Dr. Ngai Nguyen, the Vice Secretary of the Democratic Party of Vietnam, said, “This case has drawn strong criticism from human rights groups abroad and shows that the Vietnam government is trying to silence dissent in advance of a Communist Party congress in early 2011. The only thing these gentlemen were doing is speaking out for freedom and democracy for the people of Vietnam.”

“The Democratic Party of Vietnam,” said Dr. Ngai, “thanks Ambassador Michalak and the international community for expressing their deep concern over the arrest and conviction of persons for merely expressing the peaceful expression of their beliefs.”

The DPV is asking the U.S. Department of State, the U.S. Congress and leaders from around the world to urge the Vietnam government to release immediately and unconditionally these activists, dropping all charges and agreeing not to arrest and imprison innocent people merely because they are promoting improved human rights.

The Mission of the Democratic Party of Vietnam, which was formed inside Vietnam by Hoang Minh Chinh, its first Secretary is, through peaceful means, to secure democracy, human rights, religious freedom and free and fair elections in Vietnam.

- **Australia, UK to help Vietnam maximize WTO benefits**

Australia and the UK on Wednesday signed an agreement to support Vietnam with US\$16.4 million towards maximizing the benefits of trade liberalization, including its commitments to the World Trade Organization.

A five-year project, the second phase of the “Beyond WTO” program launched in 2007, will help Vietnam implement its commitments under WTO membership and other international and regional agreements.

The project will focus on several areas including strengthening institutions of market economy, like state-owned businesses reform and land management, and helping the rural sector adjust to the impact of economic integration, it said.

The Australian Aid Program committed AU\$12 million (\$10.9 million) to the plan, and the UK Department for International Development contributed £3.4 million (\$5.5 million).

The first phase of the program, named "Maintaining Sustainable Development and Poverty Reduction Gains through WTO Commitment Implementation" was also supported by the two organizations with around \$15 million.

The project has helped Vietnam develop its Government Action Plan that aims to apply 12 major policy initiatives. It also helped identify measures to maximize the benefits of WTO accession and ensure that these could be shared by the poor, a press release said.

Vietnam joined WTO in November 2006.

- **Phillips Carbon to set up \$50 mln plant in Vietnam**

Phillips Carbon Black Ltd (PHIL.BO: Quote, Profile, Research) said on Thursday it plans to invest \$50 million to set up a 50,000 metric tonnes per annum plant in Vietnam, in a joint venture with three Vietnamese state-run firms.

Phillips Carbon Black will hold 80 percent in the plant, which will be commissioned in 2011, the company said in a statement.

"We have signed a joint-venture agreement with three Vietnamese govt-owned tyre companies - Casumina, Danang Rubber and Sao Rubber for setting up the first carbon black plant in Vietnam," Sanjiv Goenka, chairman told reporters on Thursday.

This is Phillips Carbon's first overseas venture and the firm will have 80 percent of the stake in the joint venture, he said.

The proposed plant will have a carbon black capacity 50,000 metric tonnes and a 12 MW co-generation power plant initially, he said.

"We already have the land in possession and currently, environment impact assessment is in progress. In the second phase, the capacity will be scaled up to 100,000 metric tonnes carbon black and 16 MW power plant," Goenka added.

The Kolkata-based company is planning to invest 5 billion rupees over the next 18 months to fund its expansion, including the Vietnam plant, he said.

"In addition to the Vietnam project, we are also increasing our carbon black capacity in Mudra by 50,000 metric tonnes, and adding power capacity at Cochin,"

Goenka said.

Post expansion, the total capacity from its 4 domestic plants would go up to 400,000 metric tonnes of carbon black and 90 MW of power, he said.

The fund raising would be at a debt/equity ratio of 1.5:1. Details are yet to be worked out, he said.

"Our board will be meeting in six weeks to decide on the timing and size of the issue. We would definitely like to tap the market in three months time,"

Goenka said.

Earlier in the day, Phillips Carbon reported a Oct-Dec net profit of 336.3 million rupees as against a net loss of 459.8 million rupees in the corresponding period last year, the company said in a release.

In the same period, its net sales were up by 32 percent to 3.47 billion rupees.

- **19 bears rescued from bile farm in Vietnam**

Bear bile is traditional Asian remedy for pain, fevers and other ailments

Rare Asiatic moon bears were found at an illegal Taiwanese-owned operation in southern Vietnam

- **Vietnam's First Luxury Tour Operator Receives Best Service Awards For three consecutive years**

The Vietnam's first luxury tour company LUXURY TRAVEL will present on Saturday 24 Jan 2010 in the International Conference Center in Hanoi, Vietnam with a Vietnam's Best Service Awards 2009 from the Ministry of Trade and Industry of Vietnam. The Vietnam's first luxury tour company LUXURY TRAVEL will present on Saturday 24 Jan 2010 in the

International Conference Center in Hanoi, Vietnam with a Vietnam's Best Service Awards 2009 from the Ministry of Trade and Industry of Vietnam.

The poll online and offline of Best Service Awards, held every year since 2007, aims to identify excellent businesses in 11 categories that Vietnam committed to develop when joining the World Trade Organization (WTO), including: information services, tourism, entertainment, technical construction, distribution, education, environment, finance, healthcare, transportation and general trading.

Luxury Travel is voted among few businesses in tourism sector to receive the Top Trade Services Awards 2008. All of winners are businesses that have high growth speed, excellent business performance, and competitive ability and affirm its strong trademark in the market.

This is the third consecutive year Luxury Travel has received The Top Trade Services Awards of Ministry of Trade and Industry of Vietnam with Vietnam's Best Service Award 2009 that confirms Luxury Travel has an excellent performance during the world financial crisis and grow. The company provides the best and most reliable upscale travel services in Vietnam and South East Asia.

"The accolade is very encouraging for our company. We are committed to provide the international luxury standards of product and service" said Mr. Pham Ha, Founder/CEO of Luxury Travel Vietnam. Our goal is to continue to raise the bar in service excellence and further develop Vietnam as a luxury travel destination catering to the discerning traveler around the world".

Luxury Travel Co., Ltd. (Vietnam) at <http://www.luxurytravelvietnam.com> is a 100% fully registered and privately-owned Vietnamese company. Luxury Travel is headquartered in Hanoi and has offices around Vietnam and management offices in Laos, Cambodia, Spain, USA and Australia. Luxury Travel has won numerous travel awards for excellence.

The "Vietnam's Best Service Awards 2009" award ceremony will be organized solemnly at the International Conference Center in Hanoi on 24 Jan 2010 and live broadcast on the Vietnam National Television VTV1.

- **Vietnam may post 7.5 pct growth in 2010, fund manager says**

Vietnam's economy may expand 7.5 percent this year, PXP Vietnam Asset Management said, which would be the country's fastest pace of growth since 2007.

The General Statistics Office in Hanoi said Vietnam's gross domestic product expanded 5.3 percent last year, the slowest since 1999, hurt by a slump in demand for exports and a drop in foreign direct investment amid the global recession. The International Monetary Fund expects 6 percent growth this year, while the Vietnamese government is targeting 6.5 percent.

Both the IMF and the government's estimates may be exceeded as demand for Vietnamese products picks up, according to Ho Chi Minh City-based PXP. Vietnamese exports declined 10 percent last year, preliminary estimates by the statistics office show. "A moderate resumption of global demand for Vietnam's products should see a return to the 10-year average GDP growth trend of 7.5 percent this year," Kevin Snowball, PXP's chief executive, wrote in a note to investors Monday. PXP manages funds including Vietnam Emerging Equity Fund Ltd. and PXP Vietnam Fund Ltd. Vietnamese exports performed "reasonably well" in December, the IMF said this month. Overseas shipments climbed 12 percent from November to \$5.25 billion, based on the preliminary statistics office figures, with garment exports advancing 12 percent from November and footwear sales up 22 percent.

Rice prices

Rice exports from Vietnam, the world's second-biggest shipper of the grain behind Thailand, surged 68 percent by volume in December from November, according to the statistics office. For 2009 as a whole, Vietnam exported a record 5.95 million tons of rice.

"Vietnam's price quotes remain significantly below Thailand's quotes, currently trading at a difference of nearly \$125," the US Agriculture Department said in a monthly report on rice dated Jan. 13.

The acceleration in GDP growth is likely to be accompanied by faster inflation, according to Snowball. Vietnam's consumer inflation rate reached 6.52 percent in December, up from 4.35 percent in November.

Inflationary pressures are probable, "particularly if expected increases in the price of food materialize," Snowball wrote.

Vietnam is one of five Asian economies, along with India, Indonesia, Singapore and Sri Lanka, where inflation may top "the comfort zone" this year, HSBC

Holdings Plc said in a report last week predicting that the year-on-year pace of price increases in Vietnam may accelerate to 12 percent by the second quarter of 2010.

HSBC expects "a combination of adverse base effects and higher commodity prices to see inflation return to double digits by the second quarter, if not earlier," Singapore-based economist Robert Prior-Wandesforde wrote about Vietnam.

Laos

- **Air Asia plans opening new route to Laos**

The Thai Air Asia Company Limited plans to open an air route from Vientiane to Bangkok next year and its related documents are being considered by the ASEAN authorities.

Thai Air Asia CEO, Mr. Tassapon Bijleveld, said at a press conference held in Vientiane on 14 January that the Mekong countries, especially Laos and Thailand, were attractive destinations for foreign visitors.

Also attending the press conference were representatives of the Lao National Tourism Administration and the Thai Embassy in Laos.

Air Asia does not have any routes connecting Laos and Thailand and its passengers who want to travel to Laos have to take the flights between Bangkok and Udon Thani and Phuket and Udon Thani and take a two-hour bus from Udon Thani to Vientiane via the first Lao-Thai Mekong Bridge.

- **Lao Telecom Communication wins ISO 9001:2008**

The Lao Telecom Communication (LTC) has successfully updated its International Organisation for Standardisation (ISO) certificate 9001:2000 to 9001:2008, due to the growing customer service.

This was the second ISO certificate of the LTC awarded, after the first one ISO 9001:2000, was granted for the periods 2006-2009.

The handover ceremony of the ISO 9001:2008 certificate took place at the Lao Telecom Headquarters, on 15 January.

The ISO certificate was presented by the Division Manager of System and Service Certification (SGS) in Thailand, Mr. Montree Tangtermsirikul, to the LTC Administration Department Manager, Mr. Phoukhong Chithoublok.

Mr. Phoukhong said the certificates showed the development of the LTC and its standard that convince its customers.

◆ We would try to introduce more

sophisticated technology in the future, ◆ he continued.

The ISO Certificate 9001: 2008 becomes a certification of the quality on communication service of the LTC.

- **Lao President receives Vietnamese Vice-President**

Mr. Choummaly Sayasone, Secretary General of the Lao People's Revolutionary Party and President of the Republic, on 16 January received at the

Presidential Palace a courtesy visit of Vietnam's Vice-President Nguyen Thi Doan.

Ms. Nguyen Thi Doan and her delegation arrived in Vientiane on 15 January to attend a Vietnam-Laos special cultural exchange programme held at the Lao

National Culture Hall on 15 January to mark the 35th anniversary of the two countries' ◆ friendship associations.

Mr. Choummaly Sayasone, on the occasion, described the visit to Laos by the Vietnamese delegation a contribution to the consolidation of the special friendly relations and all-round co-operation between the parties, states and people of the two nations. He also expressed thanks to the Vietnamese leaders and people for their great assistances to the Lao PDR in the past and present time.

Ms. Nguyen Thi Doan expressed thanks to President Choummaly Sayasone for his warm welcome and informed him of the result of the meeting between her delegation and the Vice-President of the Lao PDR which the two sides have agreed to further develop the friendly relationship fruitfully.

- **Central Bank to adjust interest rate**

The Bank of the Lao PDR has decided to adjust its own interest rate in accordance with the growth of the national economy.

The bank will also be ready to control the inflation rate of kip currency after finding signs of high inflation late last year. The national currency is expected to see a fluctuation of around 2% this year.

This measure is designed to support effectively in the implementation of the 2010 socio-economic development plan and respond to the impact of the global economic and financial crisis.

This year, the central bank will strictly control the increasing volume of circulation of kip currency and the inflation rate. The adjustment of interest rate in the country made will also be taken into account of the economic growth in the region. There will be ongoing consideration of changing components of the managing mechanism and the proportion rate of compulsory deposit. This was the Governor of Central Bank, Mr Phouphet Khamphouvong's comment addressed at the annual conference on economy. The bank will also control the volume of credit release to no more than 18.5% in a bid to cap on the volume of banknotes in society, maximise the value of credits and control the volume of bad debts in the banking system under 3%.

◆ These are important factors to drive the economic growth and ensure the stability of the national currency, ◆ said the Governor.

For the main target of the currency exchange policy, Governor Phouphet added that the bank would focus on maintaining the stability of kip currency by controlling the current currency exchange, ensuring the national reserve for imports for at least five months and the international competitive capacity.

The bank will also control the fluctuation of the kip currency in the range of 2% against the greenback and Thai baht, ◆ he continued. ◆ In the meantime, the Bank of the Lao PDR will further observe the regulation on the net foreign currency status strictly as of this year's first quarter as a reference for the adjustment of the foreign currency market ◆.

- **Prime Minister receives Vinh Phuc delegation of Vietnam**

Prime Minister Bouasone Bouphavanh, received at his office, on Friday, in Vientiane, a courtesy visit of a high-ranking delegation of Vinh Phuc province of Vietnam, headed by its Secretary of the provincial Party Committee Chinh Dinh Dung.

The Prime Minister expressed his warm welcome and added he highly valued the working visit to Laos of this delegation, which was a milestone in furthering the relations and long-standing all-around bilateral cooperation between Laos and Vietnam.

On this occasion, Dung informed PM Bouphavanh of the outcomes of the delegation's visit to Luang Namtha, as well as the two provinces' recent cooperation results and plans for the years to come.

As a twinned province, Vinh Phuc has donated money to help Luang Namtha build schools, including a political school to the tune of USD 500,000. It has

annually granted scholarships to 15 Lao students for studying at Vietnamese universities and colleges.

Vinh Phuc also provided the Lao province with USD one million to finance the construction of a friendship culture palace that was inaugurated on Jan. 12.

Additionally, Vinh Phuc has established cooperative ties with the Lao northern provinces of Oudomsay and Phongsaly. It already gave each of them USD 100,000 to build schools and assisted a number of students from the provinces to pursue study in Vietnam.

On the same day, Mr Bouasone Bouphavanh, received a Chinese delegation led by Mr Dink Xong Ly, Deputy Minister of Science of China.

- **Tax collection beats Q1 target 17.3 percent**

The revenue collection in the first quarter of the 2009-2010 fiscal year reached 98 per cent of the annual target, up 17.3 percent over last years ♦ same period.

While the collection of import tax this year reached 113 percent compared to the previous fiscal year.

The achievement was praised at a meeting held on 18-19 January at the Customs Department, under the chairmanship of Director General of the Customs Department Mr Santiphap Phomvihane.

♦ The figure showed that our customs officers have improved the quality of performance and service, ♦ he said.

Our department has achieved the revenue collection target for several consecutive years. Specially in the first quarter of 2009-10 fiscal year we achieved 98 percent of the annual target, he said.

He continued that the achievement was 2.6 percent higher than the target. This is because our management and our personnel have significantly improved our performance.

♦ This year, we expect to reach or exceed the target, ♦ said Mr Santiphap.

The meeting encompassed a review on the customs work in the previous fiscal year to identify strengths and weaknesses, a discussion of achievements in the first quarter of this fiscal year, and plans for the second quarter.

The meeting will also touch on the centralisation of the customs authority which has been implemented in each area, to identify its advantages and disadvantages and find further solutions.

- **President meets Vientiane core cadres and senior officials**

The Secretary General of the Lao People's Revolutionary Party and State President, Choummaly Sayasone, attended a meeting of core cadres and senior officials in Vientiane on 18 January.

In his address to the meeting, the top Party leader said that the core cadres and senior officials should talk to local people about issues of socio-economic development, security and their welfare.

The President added that the core cadres and senior officials should feel that it is their responsibility to mobilise local people in agricultural production and to boost for higher output.

He also urged the senior officials and local authorities of districts to act as role models in order to lead local people in diverse activities, especially socio-economic development work.

Also on hand were Mr Chansy Phosikham, member of the Party Central Committee and Secretary of the Party Committee of Vientiane province, Mr Khammeung

Phongthady, Deputy Secretary of this central province's Party Committee, and the chiefs of the districts of Maid, Vangvieng, Kasy, and Hinheub.

The meeting was briefed by the chiefs of Maid, Vangvieng, Kasy, and Hinheub districts and others summarised their activities in their respective areas, such as socio-economic development over the past year, poverty reduction, building and strengthening political grassroots and national security work.

During the meeting, the President heard requests from the local people, including the calls for building all-season roads and bridges between villages and districts and the electrification to remote areas.

- **President visits military post, Kor 1 unit**

Mr Choummaly Sayasone, Secretary General of the Lao People's Revolutionary Party and State President, paid a working visit to a military post, Kor 1 unit, on the occasion of memorizing the establishment day of the 61st Lao People Army on 19 January.

Mr Choummaly Sayasone was warmly welcomed by Colonel Bounchanh Vilaichith, Political Head of Corp 1 unit, the Party board members and the army control board members.

Colonel Bounchanh Vilaichith gave a briefing to the President about the activities of the department for the past year.

After that, the Secretary General spoke on the tradition of struggle for national salvation and the sacrifice of lives for national revolution by the veterans. The sacrifice and struggle for national salvation, he said had been written in the history book and it would be remembered forever.

The Secretary General then urged the military leaders to maintain the tradition of struggle for national salvation and to inculcate such a spirit into the young military people.

Part of his speech was devoted to giving direction on planning, stating that the military should pay attention to the dissemination of information to the grassroots on the changes in policies, to give help the local people and to be conscious of carrying out people-oriented duties.

Mr Choummaly Sayasone added that the Party boards and the army control boards should improve their operations so as to strengthen the department, to pay attention to the living conditions and well being of the veterans and to ensure that the military training was relevant to the overall strategy of the army.

- **Rally held to mark LPA 61st anniversary**

The Ministry of National Defence yesterday held a rally to commemorate the 61st founding anniversary of the Lao People's Army, on 20 January.

The rally was attended by over 100 military heroes, officers, combatants, and representatives of units and organizations in the ministry, including

Lieutenant General Douangchay Phichit, Politburo member of the Lao People's Revolutionary Party Central Committee (LPRP CC), and Minister of National Defence.

In his statement to the gathering, Major General Sengnoua Sengyalath, Deputy Minister of National Defence and Director of the General Political Department of

the Armed Forces, hailed the great gains of the Lao People's Army over the past half century. He talked about the excellent deeds written in the history of the army.

The comprehensive development and growth of the Lao People's Army, in its political aspects, organization and military hardware, is a source of pride for the Lao people, Major General Sengnoua Sengyalath said.

The great gains and victories of the army over the past 61 years stemmed from the able and brilliant leadership of the Lao People's Revolutionary Party, who have educated and fostered the combatants of the army.

Lieutenant General Douangchay Phichit also spoke of the LPA's tradition of struggle, the Party's organization and guidance of the army, and the protection of the LPA's tradition.

On 19 January, Lieutenant General Douangchay Phichit and high-ranking military officers in the Ministry of National Defence also laid a wreath at the Monument for Unknown Soldiers, to pay homage to soldiers who sacrificed their lives for the nation and people.

- **Germany constructs technical schools in three Northern provinces**

The German government has provided 4.5 million Euros for the construction of three technical schools in Phongsaly, Xiengkhouang and Oudomsay.

The construction of these educational institutes is over and the handover of the schools was held on January 17 in Xiengkhouang province. The handover was performed by German ambassador to Laos, Mr. Peter Wienand, and Minister of Education, Mr. Somkoth Mangnomek. Standing Deputy Prime Minister, Mr. Somsavat Lengsavad, relevant authorities and local people witnessed the event.

The grant from the German government is equivalent to 80 per cent of the construction cost of the three technical schools while the government of Laos invests the rest 800,000 Euros in the construction, said Dr. Kongsy Sengmany, Head of the Vocational Education Department, Ministry of Education.

The Technical School in Oudomsay province has 15 buildings, one football pitch and is able to receive 360 students. The Technical School in Phongsaly province has nine buildings and one football pitch and is able to receive 160 students.

The Xiengkhouang Technical School has 18 buildings and one football pitch and is able to receive 360 students.

- **Vietnam company to build hydro power plant in Laos**

Vietnam's Hoang Anh Gia Lai Joint Stock Company (HAGL) will build a 120 million-USD hydro power plant in Laos following a memorandum of understanding with the Lao Ministry of Planning and Investment.

Under the MoU signed in Vientiane on Jan. 19 between HAGL General Director Nguyen Van Su and Lao Deputy Minister Planning and Investment Thongmy Phomvisay, the Nam Cong 2 hydro power plant has a designed capacity of 70 MW and will put be into operation after three years.

Earlier in August, the two sides signed a MoU on the Nam Cong 3 hydro power plant. Once operational, the two projects will help boost socio-economic development in southern Laos in particular and Laos in general.

The HAGL has gained prestige in Laos with the Sea Games 25 village in Vientiane and a project on planting 10,000 ha of rubber trees in Attapeu province.

- **Khwa and Samphanh residents to enjoy electricity supply in mid-2011**

The Heuangpaseuth Electricity Construction and Installation Company signed a contract with the Ministry of Energy and Mining to carry out the installation of 22 kV and 0.4 kV transmission line network and transformers in the northernmost province of Phongsaly.

The signing ceremony for the transmission line installation project was held in Vientiane Capital last Friday.

The contract was signed between Director General of the Heuangpaseuth Electricity Construction and Installation Company, Mr. La Khamdy, Deputy Cabinet Head of the Ministry of Energy and Mining, Mr. Chaleun Inthavy, and Deputy Head of the Energy and Mining Service of Phongsaly province, Mr. Pheng Nilavong.

The contractor confirmed that the installation work would be completed in 16 months.

The installation costs 33.7 billion kip, which will be a pre-investment of the contractor.

The installation of the 22-kV power grid stretches 76.2 km from Sinsay village junction in Khwa district to Samphanh district while the 0.4 kV power grid will be 13.4 km long.

Vice-Governor of Phongsaly province, Mr. Pheng Nilavong, said that the electricity consumption rate in this northernmost province was the lowest among all the provinces in the country, accounting for 13 per cent of the total 167,181 households nationwide.

He went on that this project would supply electricity to 1,240 households in 19 villages of Khwa and Samphanh districts. This project is to materialise the Energy and Mining Development Strategy Plan till 2020 as the 7th National Socio-Economic Development Plan (2011-2015).

According to the 7th NSEDP, the amount of electricity consumption nationwide will cover 70 per cent of the entire households nationwide in 2010, 80 per cent in 2015 and 90 per cent in 2020.

In mid-2009, 65 per cent of households countrywide have accessed to permanent electricity supply. To fulfil the plan, this year the Electricite du Laos will strive to expand the network of power supply to no less than five per cent of the entire households nationwide

- **Lao and Vietnamese Public Works ministers visit Phongsaly**

Mr. Sommad Pholsena, Minister of Public Works and Transport, and Vietnamese deputy minister of Transport, on 12-14 January visited Phongsaly province.

Mr. Sommad and his delegation were briefed about the transport and public works development in this northernmost province by Governor Khamsan Souvong, especially on road construction. Mr. Sommad and his delegation then inspected the Road No. 2E construction project which commenced on 26 March 2009 and is expected to be completed in 2012.

The 70-km long road No. 2E is jointly constructed by a Lao-Vietnamese construction company.

Brunei

• His Majesty Pays Last Respects To Late Sultan Of Johor

His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam and HRH Prince Mohamed Bolkiah, Minister of Foreign Affairs and Trade, paying their last respects during the royal burial rites of Al-Marhum Al-Mutawakal Allallah Sultan Iskandar Alhaj ibni Al-Marhum Sultan Ismail, the Sultan of Johor, at Istana Besar, Johor Baru yesterday afternoon. The late Sultan Iskandar, 77, passed away at the Puteri Specialist Hospital in Johor Baru at 7.15pm Friday evening due to ill health. The late Sultan of Johor was laid to rest at the Mahmoodiah Royal Mausoleum. Also in the photo are the Regent of Pahang (2nd left), Malaysian Premier Datuk Seri Najib Tun Razak (4th left), Sarawak Chief Minister Tan Sri Patinggi Taib Mahmud, Brunei State Mufti Pehin Datu Seri Maharaja Dato Paduka Seri Setia Ustaz Haji Awang Abdul Aziz bin Juned (2nd right)

Johor Bahru - His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam yesterday attended the royal burial rites of Al-Marhum Al-Mutawakal Allallah Sultan Iskandar Alhaj ibni Al-Marhum Sultan Ismail.

His Majesty arrived at the Istana Besar, Johor Bahru yesterday afternoon to pay his last respects to Al-Marhum Al-Mutawakal Allallah Sultan Iskandar Alhaj.

Accompanying His Majesty was His Royal Highness Prince Mohamed Bolkiah, according to a HMO (palace) press release. The monarch also attended the funeral ceremony of Al-Marhum Al-Mutawakal Allallah Sultan Iskandar Alhaj ibni Al-Marhum Sultan Ismail at the Mahmoodiah Royal Mausoleum. Also there to pay their last respects were other Malaysian kings, as well as Malaysian and foreign state dignitaries.

Al-Marhum Al-Mutawakal Allallah Sultan Iskandar Alhaj ibni Al-Marhum Sultan Ismail was born in Istana Semayam, Johor Bahru on April 8, 1932, and was proclaimed the Sultan of Johor Darul Takzim on May 11, 1981. Three years later, the late Sultan was appointed as the 8th Yang Di-Pertuan Agong of Malaysia.

In accordance to the passing of Al-Marhum Al-Mutawakal Allallah Sultan Iskandar Alhaj on Friday, 6th of Safar, 1431, corresponding with January 22, 2010, His Majesty the Sultan and Yang Di-Pertuan of Brunei Darussalam sent a message of condolence to His Royal Highness Tunku Ibrahim Ismail ibni Almarhum Sultan

Iskandar, Acting Sultan of Johor Darul Takzim.

In the condolence message, His Majesty and the royal family, as well as people of Brunei Darussalam expressed their sincerest sympathies and condolences to His Royal Highness Tunku Ibrahim Ismail ibni Almarhum Sultan Iskandar, Acting Sultan of Johor Darul Takzim and the royal family of Johor Darul Takzim on the passing of the late Sultan.

- **Only 30% Bruneians Engaged in Business**

I am an educated Filipina married to a local Bruneian and have stayed in Brunei for a rather long time now. So in my personal observation, Brunei's 70% local population has joined government sector (and it's a condition that government servants are not allowed to engage in private businesses as a rule).

Which meant only 30% is left to be engaged in businesses. And I guess 10% are local Chinese & Indians involved in small & medium enterprises such as workshops; supermarkets; agents of motor vehicle, insurance, etc; bookshops; restaurants; tailor shops; beauty salons; etc.

A few big locals are engaged in cannery & drinks factory; motor vehicle assembly & the like.... So from aforementioned... do you see any local company here that is allowed or qualified to engage in huge projects such as Ports, Pharmacy, oil & gas, etc.?

- **Brunei Aims For Indian, Russian Tourists**

Bandar Seri Begawan - Brunei is looking towards tapping the market of Mean dialogue partners India and Russia to further boost tourism numbers to the Sultanate.

During the third day of the Mean Tourism Forum (ATF) 2010 at The Empire Hotel and Country Club, Brunei Tourism Chief Executive Officer Sheikh Jamaluddin Sheikh Mohamed yesterday expressed their ambition to collaborate with these two emerging markets to increase tourist arrivals.

He remarked that India was a strong growth area as it is the second most populous country in the world after China.

"So this is something to be excited about, to tap the Indian market. And this is where, personally, I'm looking at Royal Brunei Airlines (to see) if they will fly to 'India and then maybe we can do a roadshow together," he told The Brunei Times.

The tourism director also noted that there has been increase in Russian tourists travelling to Southeast Asia. For Brunei as well, Russia is not a new market, he said, adding that the Sultanate had seen her first tourists from European country in 2001.

"These are not people coming for meetings. These are actually people coming for holidays," he pointed out.

"Through Mean here, we put our wishlist to India and Russia," Sheikh Jamaluddin said. Director of Singapore Tourism Board's International Group Soo Slew Keong agreed with his Bruneian counterpart's views.

"India has potential to grow. For Singapore, India is one of the fast growing, top ten markets," Soo said. "For many of our member states, they are still trying to engage India."

During the meetings yesterday between the various Mean NTOs (National Tourism Organisations) and India, the partners discussed and explored ways where the countries could work together in the field of tourism, according to Soo.

An "Mean-Russia Tourism Consultation" had been scheduled to take place yesterday but was called off because the Russian delegates had yet to arrive, according to ATF secretariat staff. Meanwhile, Director of Indiatourism Rajesh Talwar said that there were a lot of countries which were trying to tap into the Indian outbound market, and Asean was no exception.

As far as the Asean market is concerned, it's very important for India. Firstly, because it is geographically very close. Culturally and historically, we have very close links between India and the Asean countries. So there is huge potential for inbound tourism from these Mean countries to India," Talwar said.

He also remarked that there was already good connectivity in place between India and most of the Mean member states. "Considering all these factors, we see that India could be a tourist attraction for most of the travellers from the Mean countries and now, given the market trends, there is increasing preference for short haul destinations, which India also qualifies," he explained.

"So there is a huge scope for tapping the tourist traffic from the Asean countries as well as intra-region tourism traffic within the Mean region." There were 10 million Indian tourists travelling around the world every year and India's economy is growing by "leaps and bounds", he said.

"So there are huge numbers from outbound (tourism) also which could be of interest to the Mean countries," the Indiatourism director said.