

Govt Wants Farmers to Establish 50 People Ranch Centers



Illustration : Dairy farm program from Directorate General of Animal Husbandry and Health. Photo : tempo.co

Jakarta (13/1/2016) - The Ministry of Agriculture is encouraging dairy farmers to establish at least 50 People Ranch Centers (Sentra Peternakan Rakyat/SPR) this year, in a bid to speed up the production increase of milk thereby achieving the milk sufficiency goal.

Professor Muladno, the ministry's Directorate General of Animal Husbandry and Health, said that there are many dairy cow farmers in Indonesia, but the country has no SPRs.

In 2014, he said, the industry had 483,000 dairy cows, with each cow producing an average of 10 liters of milk per day. This is a low output that needs to be increased by 1 liter per year.

"People Ranch Centers are an approach to development, cohesiveness between provinces, and between countries—because farmers in Indonesia are small in business and working on their own," Muladno spoke at the reunion of the Fonterra Dairy Scholarship participants in Lembang, West Java on Tuesday, January 12.

The Government, he said, will facilitate the establishment of SPRs and allocate some Rp3 billion for each SPR to build the necessary facilities.

This year, he said, the Directorate General of Livestock and Animal Health is allotted a state budget of Rp2.3 trillion to implement its programs, which include the SPR and the provision of cows. "The SPR program is just started this year," he said. (*tempo*)

This week topics

Indonesia :

- Govt Wants Farmers to Establish 50 People Ranch Centers
- Indonesian VP: Accelerate Investment Licensing Procedures to Boost Economic Growth
- Govt issues permits to import cattle from Oz

Vietnam :

- Australia's buffalo trade growing with large numbers exported to Vietnam
- Tet prices to remain steady
- VIETNAM Business In Brief

Malaysia :

- Ong: Important for Malaysia to sign TPPA
- Brahim's Aims To Expand Overseas Business Through SATS, Tabung Haji

China :

- Bindaree to open \$60m China processing facility
- China starts beef imports from Hungary

Asia Pasific Highlight

- Analysis: ASEAN Economic Community for entrepreneurs
- US grinding meat market opens year in subdued form

Asian Agribiz news & Commodity Price

INDONESIA THIS WEEK

Indonesian VP: Accelerate Investment Licensing Procedures to Boost Economic Growth

JAKARTA (14/1/2016) - Accelerating services for the issuance of investment licenses can boost economic growth in Indonesia, which is expected to reach seven percent at the end of 2017, according to Vice President Jusuf Kalla.

"The faster, the better, as it will encourage economic growth to reach seven percent at the end of 2017," the vice president remarked after the launch of the Three-hour Investment Licensing Service at the Capital Investment Coordinating Board (BKPM) building here on Monday. After launching the three-hour Investment Licensing Service, the vice president inspected the site of the service in the company of BKPM Chief Franky Sibarani, National Police Chief General Badrodin Haiti, Manpower Minister Hanif Dhakiri, Industry Minister

Saleh Husin, Trade Minister Thomas Lembong, and Agrarian and Spatial Planning Minister Ferry Musyidan Baldan.

During the course of the inspection, Vice President Kalla found out that the process of filing until the issuance of permits for business operators took only 90 minutes. In the meantime, Sibarani remarked that the Three-hour Investment Licensing Service had a strategic role in boosting the flow of both foreign and domestic investors into the country.

He noted that since the opening of the service on October 26, 2015, seven companies had obtained business licenses, with a total investment value of Rp17.85 trillion. "The companies are engaged in manufacturing, real estate, power plants, ports, and livestock farming," he added. *(Antara/ACN Newswire)*

Govt issues permits to import cattle from Oz

Jakarta (13/1/2016) - The government has issued permits for the import of 198,000 live cattle from Australia for the first quarter of this year, below the import quota of 200,000. The Trade Ministry's acting director general for foreign trade, Karyanto Suprih, confirmed the ministry had issued the import permits for the first three months of this year.

"The import permits for the first quarter are for around 198,000 head of cattle," he said.

Coordinating Economic Minister Darmin Nasution said earlier this month that the government expected to import 600,000 live cattle this year, with 200,000 animals set to be imported in the first quarter and another 150,000 in the second. "[...] with regard to the third and fourth quarters, we'll see [market] developments during the first and second quarters," he said.

A number of Australian media outlets, meanwhile, have reported that the Australian Livestock Exporters' Council (ALEC) has received confirmation from Indonesian government that its import quota for the first four months of this year is 200,000 cattle. The council has also reportedly received confirmation that import permits will be allocated every four months, rather than every three.

Australia, the largest foreign supplier of live cattle to Indonesia, has previously requested that Indonesia develop

an annual import quota, particularly after last year's sudden import quota cut, which many believed was due to political tensions in light of the April execution of two Australian drug convicts.

In addition, Karyanto said the first quarter imports would go ahead despite the government's plan to diversify cattle import sources. Australia and New Zealand are countries close to Indonesia that have already been declared wholly foot-and-mouth disease (FMD)-free zones by the World Organization for Animal Health (OIE).

The government has previously announced that importers may bring in live feeder cattle from countries that have not been declared wholly FMD-free zones once the government has built quarantine islands for the cattle.

The government is currently assessing Naduk Island in Bangka Belitung, Simoang Island in Southeast Sulawesi and an island in Riau Islands to be designated as a quarantine site for imported calves.

The chosen island will be a place for the feeder cattle to undergo thorough veterinary examinations and intensive treatment for animals suspected to be diseased. Australia is currently the sole beef price-maker in Southeast Asia's largest economy. *(JakartaPost)*

VIETNAM THIS WEEK

Australia's buffalo trade growing with large numbers exported to Vietnam

Australia (12/1/2016) - More than 5,000 head of buffalo were exported from the Northern Territory in 2015, making it one of the best years in the trade's history.

Figures released yesterday by the NT Department of Primary Industry show the year was also Darwin Port's second-biggest on record for live cattle exports.

A small number of buffalo were shipped to Brunei (625 head), but the majority were sent to Vietnam (4,468 head), which is a market expected to grow even further in 2016.

Michael Swart from the NT Buffalo Industry Council said despite a slow start and a lag towards the end of the year, shipments for slaughter-ready buffalo were strong.

"We haven't had too many years better than that, that's for sure," he said.

"We probably could have seen a few more go in November and December, but we're very happy with 5,000."

Mr Swart said he expected buffalo exports to increase even further over the coming 12 months.

"I think we'll see one or two extra players in the buffalo-buying market so hopefully that'll bring a bit more competition," he said.

"Last year it was predominantly SEALS (South East Asian Livestock Services) doing the exporting, but this year we could possibly see another two [exporters involved]."



PHOTO: More than 5,000 buffalo were exported from Darwin Port last year. (ABC Rural: Matt Brann)

While no slaughter-ready buffalo were sent to Indonesia in 2015, Mr Swart said there was strong demand for breeders.

"The NT Government recently gifted riverine buffalo bulls and hopefully with that will go a shipment of breeding buffalo cows," he said.

"As part of their self-sufficiency policy, we could see more buffalo breeders sent that way."

Mr Swart said there were positive signs in the domestic market for buffalo as well, with a couple of trial consignments to an abattoir in Victoria going well late last year.

He said the industry was still hopeful the AACo abattoir near Darwin would agree to process buffalo.

According to the NT Department of Primary Industry, the NT's buffalo export trade peaked in 2006 when 7,748 buffalo were shipped from Darwin, mostly to Malaysia. (ABC Rural)

Tet prices to remain steady

HCM CITY (15/1/2016) — The HCM City Department of Industry and Trade has instructed producers and distributors of many key goods to ensure that the supply from now until mid-February be at least 40 percent higher than in the same period last year to ensure there are no shortages during Tet (the Lunar New Year).

Until the New Year on February 8, the department and other agencies will regularly carry out checks to ensure

there are enough stocks and of good quality and prices are steady.

According to a report from the department, the goods in stock during the period before will be worth VND16.2 trillion (US\$736 million), of which goods worth VND6.9 trillion will be stocked as part of a city programme to keep prices steady. Most of the latter is comprised of food and other essential goods like cooking oil, sugar, and livestock.

Enterprises have reported to the department that inventories on hand account for 90 percent of the city's target for the period.

Nguyen Quoc Chien of the Department of Finance assured that because of careful preparations and abundant supply there would not be any scarcity or price hikes during the holidays.

Le Ngoc Dao, deputy director of the Department of Industry and Trade, said producer should nevertheless keep a close eye on demand to cope with emerging situations.

Any violations detected by inspectors with regard to quality or price, whether at traditional markets or supermarkets, would be severely penalized, she warned.

Though they expect demand to shoot up by 15 per cent in the run-up to and during the New Year, supermarkets in HCM City are set to offer promotions and keep prices low.

Le Thi Thanh Lam, general director of Sai Gon Food Trading Company, said though she knows food demand

would increase by 70 percent during Tet, competition would be intense with many convenient shops opening around the city. This would be on top of the fierce competition between retailers as well as producers, meaning prices would not increase during Tet, she said.

Nguyen Hoang Anh, marketing director of Saigon Co.op – owner of CoopMart – the supermarket will not hike prices from now until Tet because of the harsh competition in the retail market.

Due to the competition and also pressure to achieve revenue targets during Tet, many companies are set to launch sales promotions.

The promotions will focus on essential goods for Tet.

Lotte Mart, for instance, will reduce the prices of sausages and Vietnamese ham by 15-30 percent.

Metro has co-ordinated with its 300 suppliers to reduce prices of 2,000 essential goods by 49 percent.

Big C will reduce prices of more than 1,000 products by up to 50 percent. Several food companies that directly retail their products have also launched sale promotions. *(vietnamnews.vn)*

VIETNAM Business In Brief

Ocean Outback leaves Fremantle for Vietnam

After a couple of weeks stuck in Fremantle with a broken engine the Wellard-controlled Ocean Outback has left for Southeast Asia. The ship discharged its cargo of 7,500 sheep and took on 5,500 cattle, bound for Vietnam. The ship was forced to return to Fremantle on December 29 when a bust piston stopped one of its two engines. Since then, a number of animals have died while repairs were attempted to the vessel. The original shipment to Israel was cancelled and the charterer and shipowner had to seek a new destination for the vessel.

News of animals dying onboard enraged a number of animal welfare groups, leading to both the federal and regional governments intervening, issuing statements. The ship is travelling to Vietnam using just one of its two engines.

“Both the Western Australia and federal governments and departments have been very responsive and supportive to expedite a solution to this issue and I want to publicly acknowledge their support,” said Wellard CEO Mauro Balzarini.

Agribank aims 18 percent growth in loans

The Vietnam Bank for Agriculture and Rural Development (Agribank) targets a loan growth of 18 percent and a bad debt rate below 3 percent in 2016. The bank which lends mainly to the agriculture sector – expects agri-business to continue to count for the majority, or approximately 70 percent, of its total outstanding loan balance.

It is also set to raise revenue from its deposits and service fees: by 11-13 percent, and 17 percent, respectively. Overall, pre-tax profit is expected to reach 4 trillion VND (178 million USD) this year. Additionally, the State-owned bank plans to focus on improving its performance and competitiveness, expanding retail banking and offering higher-quality services, in a bid to sustain its current growth.

Deposits at Agribank were pegged at more than 804 trillion VND in 2015, an increase of 16.5 percent year on year, surpassing forecasts, Agribank General Director Tiet Van Thanh said. It provided 670 trillion VND in loans last year, about 71 percent of which were for agriculture while the bad debt rate was reduced to 2.01 percent.

HCM City targets 6 percent growth in agro-forestry, fisheries

HCM City will strive to maintain 6 percent growth in agro-forestry and fisheries outputs this year, according to its Department of Agriculture and Rural Development. It also targets increasing average agricultural revenue per hectare from 375 million VND (16,700 USD) last year to 420 million VND this year.

Speaking at a review meeting held on January 13, the department's deputy director, Huynh Thi Kim Cuc, said despite many difficulties agro-forestry and fisheries production grew by 6 percent last year, or 2.3 times the national rate. Crop production grew by 4.4 percent, animal husbandry by 4.9 percent, agricultural services by 11.8 percent, forestry by 4.6 percent, and fisheries by 8.6 percent, she said.

This was the result of following an urban agricultural model, which meant reducing low-yield rice growing areas and increasing the area under high-value ornamental trees and safe vegetables as well as dairy farming, she said. The area under vegetables last year increased by 2.7 percent to 14,500ha, and output was 366,704 tonnes. The city had around 2,250ha under flowering plants and ornamental trees last year, up 5.6 percent, she said.

The city had a total of 160,000 cows, a year-on-year increase of 25.7 percent, including 103,000 dairy cows that produced 275,000 tonnes of fresh milk, accounting for 42.6 percent of the country's output. The number of pigs and seafood output went up by 30 percent and 6.3 percent, she said.

City companies exported 262 tonnes of corn and vegetable seeds to several countries, including the US, Japan, and Israel, besides large quantities of fruits and vegetables, flowers, ornamental trees and fishes, and crocodiles, she said. But the agricultural sector also faces difficulties like high risk of natural disasters, diseases and demand volatility, she said.

Besides, small scale of production and failure to use advanced technologies precluded sustainable development, she said. To achieve this year's targets, she said the city would continue to move towards urban agriculture, especially in increasing use of high-tech methods, including bio-technology, to provide safe and high-quality products. It would strive to develop linkages between production and consumption to ensure steady demand, she said.

Le Thanh Liem, Deputy Chairman of the municipal People's Committee, called on the agricultural sector to focus on certain products in which the city has advantages and improving rural infrastructure. Raising awareness among farmers about the application of good agricultural practices is imperative, he added.

Le Dinh Duc, Deputy Chairman of the rural Cu Chi District's People's Committee, said the city should improve its forecast of agricultural supply and demand to avoid price volatility.

Dairy investment project in Russia approved

The Prime Minister has recently approved an overseas investment plan on building a cow farming and milk processing complex in Russia .

The complex, invested by the Nghe An Sugarcane and Sugar JSC, has a total investment capital of 11.25 trillion VND (500 million USD). The project will be implemented in five districts of Moscow province, Russia.

The PM asked the Ministry of Planning and Investment to speed up procedures to grant an overseas investment registration certificate for the project in accordance with regulations.

The State Bank of Vietnam is requested to supervise and instruct the company, in correctly abiding by the current regulations on foreign exchange management.

The Ministry of Labour, Invalids and Social Affairs is asked to guide the company in sending Vietnamese guest workers to Russia to implement the project under the contract in accordance with regulations.

Farmers face obstacles selling organic foods

Farmers and enterprises have met many difficulties in producing and selling organic produce due to the shortage of good seeds, training and cultivated land, said agricultural experts.

Organic agriculture is a production system that sustains the health of soil, ecosystems and people, according to the International Federation of Organic Agriculture Movements (IFOAM).

Nguyen Thi Lien, owner of the Tue Vien organic farm, told the Kinh te do thi (Economics and Urban) newspaper that farmers did not use fertilisers or chemical plant protection substances to grow organic crops, so they needed vegetables, bulbs and fruit varieties that can resist pestilent insects. More at : <http://english.vietnamnet.vn/fms/business/150141/business-in-brief-17-1.htm> |

MALAYSIA THIS WEEK

Ong: Important for Malaysia to sign TPPA

SUBANG JAYA: International Trade and Industry II Minister Datuk Seri Ong Ka Chuan reiterated the importance of signing the Trans-Pacific Partnership Agreement (TPPA), stating that Malaysia will lose out to other participating countries if it remains outside the TPPA fold.

Ong said being a TPPA member will create capacity for production and foreign investors here will be able to sell their goods without tax barriers. He was speaking at the launch PXPGEN's PxP Viral Social E-Commerce platform, an online e-commerce marketing tool.

PXPGEN is a collaboration between NxEra, an affiliate of global technology leader Foxconn Technology Group and

Power-All Networks, a Foxconn subsidiary.

The platform enables small and medium sized enterprises (SMEs) to leverage on data analytics to broaden customer base.

Healthcare company Genopharma opted for the PxP platform to grow its brand and customer base online. Genopharma (M) global executive director Datuk Seri Eugene Liu E Jen said the platform allows both SMEs and large corporations to utilise social and group influence online and offline in a cost-effective way to brand and market products. *(thestar.com.my)*

Brahim's Aims To Expand Overseas Business Through SATS, Tabung Haji

KUALA LUMPUR (17/1/2016) - Brahim's Holdings Bhd (BHB) aims to grow its business overseas by leveraging on its presence in China, Australia and Japan via SATS Investments Pte Ltd and Lembaga Tabung Haji (TH).

"SATS is one of the major players in airline catering. They've got presence in 43 airline kitchens all over the world. Besides that, they have non-airline catering businesses in terms of restaurants and so on ... with SATS as a partner, I think we will be able to do a much better business," said its executive chairman Datuk Seri Ibrahim Ahmad Badawi.

"In terms of going overseas by ourselves with our flight kitchen at Sepang, we may not be able to venture outside Kuala Lumpur. Now with the 43 kitchens worldwide with SATS, we should be able to collaborate in setting up halal ventures in terms of airline catering and so on together with Singapore Airlines," he told reporters at its EGM last Friday.

BHB is also looking at further opportunities in China, Australia and Japan by tapping into the demand for halal products in these countries.

"In Australia, one of the things we are looking at, we made an announcement last time in terms of a halal abattoir. In fact, TH expressed some interest in terms of investments in Australia. We actually will be proceeding with our halal abattoir for the production of halal meat for Malaysia and also for export to other countries.

"With the Open Skies for airline and Trans-Pacific Partnership Agreement for trading, we hope these are good



"With the Open Skies for airline and Trans-Pacific Partnership Agreement for trading, we hope these are good opportunities for us to venture overseas, riding on the halal wave," said Ibrahim.

He said the global halal market is 75% undersupplied and Brahim's hopes to tap into the demand not just in terms of food but also in pharmaceuticals and related businesses by collaborating with other players in the sector.

Ibrahim said it is already in discussions with two companies overseas but declined to divulge further details.

More at : <http://malaysiandigest.com/business/590318-brahim-s-aims-to-expand-overseas-business-through-sats-tabung-haji.html>

CHINA THIS WEEK

Bindaree to open \$60m China processing facility

Australia (17/1/2016) - Progressive Northern NSW premium meat exporter Bindaree Beef has turned the tables on Chinese investment in Australian agriculture, announcing it will open a \$60 million boning room, cold storage and distribution centre in QingDao.

Construction of the cutting-edge facility in North Eastern China, aimed at value-adding Australian beef, is due to be finished by the end of 2016.

The 10,000 square metre facility, which will employ 600, will import and distribute 100,000 tonnes of beef per annum with Australian beef making up the largest proportion.

Bindaree Beef Group chief executive officer Andrew McDonald said the company was looking to service the higher end of the Chinese market with branded, high-quality, clean, green Australian beef.

“Our existing brand profile will be utilised and we are developing new brands to be launched this year with specifications targeted to the Chinese consumer,” he said.

The announcement comes as a partnership between the Inverell-based business and large Chinese meat



Bindaree Beef is the largest employer in North West NSW. Photo : farmweekly.com.au

processor Shandong Delisi Food Company comes into effect next month.

Under the deal, Shandong will invest \$140m into BBG for a 45 per cent share. “Now we have a Chinese partner with strong networks and penetration, this was the obvious move,” Mr McDonald said.

Already, BBG and its meat sales and marketing business Sanger Australia have launched a branded hormone growth promotant-free grassfed product to Chinese consumers.

More at : <http://www.farmweekly.com.au/news/agriculture/cattle/beef/bindaree-to-open-60m-china-processing-facility/2750951.aspx>

China starts beef imports from Hungary

China (16/1/2016) - CHINA'S first-ever shipment of imported beef from Hungary has arrived in Shanghai, local authorities said Saturday.

The 12-tonne frozen beef from Hungary, valued at US\$70,600, is expected to be put into the market before the Chinese Lunar New Year that begins on Feb. 8, said a joint press release from Shanghai Customs and Shanghai Entry-Exit Inspection and Quarantine Bureau.

It said the shipment arrived at Shanghai's Yangshan Port Thursday and went through customs formalities Friday.

China banned imports of beef and related products from the European Union in 2001 amid scares of mad cow disease.

After thorough scrutiny and assessment of Hungary's cattle breeding, beef production and food safety management processes, China reached a frozen beef import deal with Hungary in 2014.

Last year, the two countries signed an MOU in the spirit of the Belt and Road Initiative, namely, the initiative of jointly building the Silk Road Economic Belt and the 21st-Century Maritime Silk Road.

The document paved the way for Hungarian beef to enter China and the first beef trade pact was signed in October. Chinese consumers have shown a growing demand for beef and mutton.

In Shanghai alone, nearly 170,000 tonnes, or 5.5 billion yuan worth of beef and mutton were imported last year, according to local customs. (*shanghaidaily.com*)

ASIA PACIFIC THIS WEEK

Analysis: ASEAN Economic Community for entrepreneurs

Jakarta (13/1/2016) - Following the launch of the ASEAN Economic Community (AEC) at the end of December 2015, Indonesians must get ready to face Southeast Asia's free market. To recap, the objective of the AEC is to improve economic stability in Southeast Asia, to address economic matters among ASEAN member countries and to improve ASEAN competitiveness and enable members to compete with China and India in attracting foreign investment.

The AEC is expected to create an integrated market for capital, goods and service as well as labor. The impact of this will be a free flow of goods and services, investment, credit and skilled workers among ASEAN countries. Another positive impact is that Indonesian investors may expand their businesses without facing restrictions in neighboring countries. Conversely, Indonesia can draw investment from ASEAN investors.

The government of Indonesia has issued Presidential Instruction (Inpres) No. 11/2011 on the implementation of the AEC blueprint in preparing ASEAN free trade. The blueprint mentions twelve priority industries to be integrated by the government, namely agribusiness, automotives, electronics, fisheries, rubber products, wood products and textiles.

The remaining five come from the services sector, comprising air transportation, health, tourism, logistics and information technology. In the AEC era, these industries will be integrated to allow for a free flow of goods, services, investment and labor.

According to the Industry Ministry, Indonesia currently has nine industries where the country can excel in the ASEAN market, namely agro-based businesses (CPO, cacao and rubber), fish and fish products, textiles and textile products, footwear, leather and leather products, furniture, foods and beverages, fertilizers and

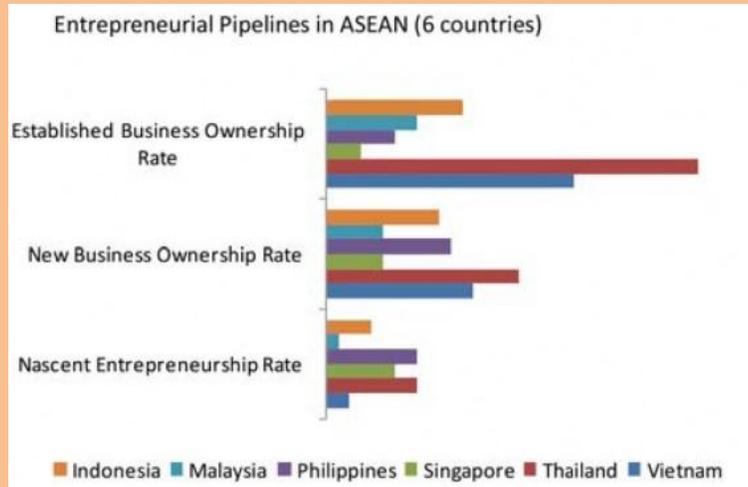


Illustration from Jakartapost.com

petrochemicals, machinery, base metals, iron and steel.

Other industries, like manufacturing and tourism, are yet to be developed to reach their full potential. Indonesia will have to retain its position as market leader in several industries to lure prospective investors.

So far, five main measures have been taken by the government to prepare for the AEC. First, the Aku Cinta Indonesia (I love Indonesia) program as a national branding campaign for the consumption of domestic products such as garments, accessories, entertainment, tourism etc.

Second, the strengthening of the micro, small and medium enterprises (MSMEs) segment. Entrepreneurial activity in the segment is buoyed by promoting ambition, production efficiency and effective management, supporting market absorption of local MSMEs products as well as creating conducive business conditions.

Third, capacity and quality improvements of infrastructure like land, sea and air transportation, communication and information systems and energy supply. Fourth, the improvement of human resources through education. Lastly, organizational and administrative reform as stipulated in the 2012-2025 national strategy to prevent and eradicate corruption.

To help MSMEs with capital, the Financial Services Authority (OJK) can apply preferential treatment not only by giving subsidies but also through a more flexible approach to non-performing loans (NPL). The government should also facilitate

To help MSMEs with capital, the Financial Services Authority (OJK) can apply preferential treatment not only by giving subsidies but also through a more flexible approach to non-performing loans (NPL). The government should also facilitate entrepreneurial activity entering the domestic market by providing vocational and training centers and by connecting entrepreneurial activities in one region with those in other areas for information exchange.

However, the most significant of all these efforts is the improvement of Indonesia's human resources, particularly for entrepreneurs. Skills and creativity are selling points in business. As for professionals, they must enhance their skills, competence and professionalism. With high quality human resources in terms of skills and creativity, Indonesia can attract investors and Indonesians can spread their wings in other ASEAN countries.

Since 2007, Bank Mandiri has prepared college students and youth through the Mandiri Young Entrepreneur Program (WMM). Bank Mandiri has also given public lectures on leadership and entrepreneurship to change mindsets so as to encourage people to engage in entrepreneurial activity. With all this in their hands, students and entrepreneurs should be ready to participate in the AEC.

Data from the Global Entrepreneurship Monitor (GEM) 2014 National Reports show that countries scoring highest in the nascent entrepreneurship rate are Thailand and the Philippines (8 percent), followed by Singapore

(6 percent), Indonesia (4 percent), Vietnam (2 percent) and Malaysia (1 percent). Countries recording the highest score in new businesses ownership rate are Thailand (17 percent), Vietnam (13 percent), Philippines (11 percent), Indonesia (10 percent), Singapore and Malaysia (5 percent).

Meanwhile, countries with top scores in the businesses ownership rate (businesses that have been owned and managed for more than forty-two months) are Thailand (33 percent), Vietnam (22 percent), Indonesia (12 percent), Malaysia (8 percent), Philippines (6 percent) and Singapore (3 percent).

The data show that compared with other ASEAN countries, Indonesia can still improve the number of entrepreneurs to engage in the AEC, which in turn could support the development of Indonesia's economy.

Bank Mandiri, through Mandiri Institute, is now conducting research on national entrepreneurship in cooperation with the GEM and the UKM Center. We hope the research will produce practical recommendations for the government to craft policies for national entrepreneurship to help those who are starting a new business or scaling up an existing business.

For small and medium enterprises, the advent of the integrated ASEAN economic era is a selection process. Those who can see and maximize the opportunities will experience breakthroughs and progress in their business, while those who cannot adapt, will find it more difficult to run their business.

The AEC certainly provides a wider market for entrepreneurs, which they can penetrate by providing products in demand overseas. In regard to this, the government should be able to identify Indonesia's unique products and ensure standardization. If the domestic market can be fully supplied by local players then they should not be worried about foreign products entering Indonesia. (*thejakartapost.com*)

US grinding meat market opens year in subdued form

By Beef Central, 15 January 2016

Favourable exchange rate movements during January have so far failed to stimulate any real change in price or demand for Australian lean grinding meat entering the US. The A\$ has fallen about US3c on rates seen late last year, but imported beef prices have changed little since December. Meat & Livestock Australia yesterday quoted frozen Australian 90CL beef at 559.9c/kg, up 8c on the previous week, but still 95c/kg lower than where it sat this time last year. In US\$ terms, this week's figure was US176.8c/lb, slightly lower than the week before, but 37 percent lower year-on-year.

More at : <http://www.beefcentral.com/trade/export/us-grinding-meat-market-opens-year-in-subdued-form/>

INDONESIA

Indonesian fish farmers encouraged to use water hyacinth meal

[15 January 2016] Indonesia's Ministry of Fisheries & Marine Affairs is encouraging fish farmers to utilise water hyacinth meal as rice bran replacement. Slamet Soebjakto, Director General of Aquaculture, said water hyacinth is so far not used, but if processed into meal, it contains 12.5% of protein. In addition, the price of water hyacinth meal (around USD 0.07/kg) is cheaper than rice bran (around USD 0.28/kg). "Water hyacinth meal is a potential alternative feed ingredient to help farmers reduce production costs," Mr Slamet said.

Pronic to triple production and revive further processing

[15 January 2016] Probiotic chicken producer, Pronic Indonesia produces 10,000 carcasses per month, but this does not fulfil growing demand. Plans are afoot to triple production to 30,000 carcasses, writes ARIEF FACHRUDIN.

Indonesia's cattle imports insufficient says Apfindo

[14 January 2016] Indonesia plans to import 600,000 live cattle to meet local demand for beef. However, according to Joni Liano, Executive Director of the Indonesian Beef Cattle Feedloters Association (Apfindo), this is not enough and the ideal number is 780,000 heads. "This is based on per capita beef consumption of 3.09kg and the number of local cattle," he said. Mr Joni hopes the government will adjust the number after evaluating the trend of beef supply and demand in Q1 and Q2. This year's live cattle import quota decreased 2.7% compared with 2015.

New mini fish feedmill in Sukabumi

[12 January 2016] Indonesia's Ministry of Fisheries & Marine Affairs recently inaugurated a new mini fish feedmill in the Freshwater Fish Culture Agency in Sukabumi, West Java. Slamet Soebjakto, Director General of Aquaculture, said the plant can produce 1.2 tonnes of catfish, tilapia and pangasius feed per day. The feed will be sold to fish farmers in the region at USD 0.36/kg. To reduce cost of production, the plant will use local ingredients such as fishmeal, tapioca and water hyacinth. "We hope the plant will help farmers in the region improve their production and at the same time reduce their cost of production. In addition, the plant is open for farmer groups who want to learn about feed plant operations," said Mr Slamet.

Indonesia still far from beef self-sufficiency

[11 January 2016] The Indonesian Cattle and Buffalo Farmers Union (PPSKI) is not certain that Indonesia can achieve self-sufficiency in beef by 2017 despite the government's efforts. Self-sufficiency in beef is defined by the PPSKI as needing to import less than 10% of the nation's total demand. Indonesia's beef demand is estimated at more than 3.8 million (live cattle) in 2016, and the government is set to import up to 600,000 live cattle this year, nearly 16% of total demand..

MALAYSIA

CAB Cakaran to generate 50% of revenue from overseas ventures

[14 January 2016] Malaysian integrator CAB Cakaran Corp Bhd expects its overseas and export business to generate about 50% of revenue in two years, in line with its strategy to diversify its revenue base. Group Managing Director Chris Chuah told StarBiz that the group's proposed business venture for an integrated halal poultry farm in Indonesia with Indonesia-based Salim Group would be a key growth-driver. "Indonesia has the world's largest Muslim population, which would create steady demand for our halal broiler meat," he said. The JV aims to have a production capacity of 4-5 million birds per month in three years' time, with ready demand from the Salim Group's convenient stores, and could generate USD 227million in total revenue in three to five years, the report added.

Lay Hong ties up with Japanese firm NH Foods

[13 January 2016] Malaysian poultry company Lay Hong Bhd plans to set up a joint venture with Tokyo Stock Exchange-listed NH Foods Ltd to expand its business overseas. According to the filing, NH Foods shall be responsible for, and shall contribute its expertise in the areas of R&D and manufacturing of further processed foods, and be responsible for matters relating to the sales and export of further processed foods to overseas markets including Singapore and Japan. Lay Hong shall be responsible for matters relating to the operations of the JV company in Malaysia, including licensing, taxation, obtaining certifications such as the halal and HACCP certifications, procurement of land/leasing of land, logistics and sales and marketing in Malaysia.

INDIA

India banks on FDI to boost food processing

[14 January 2016] India's Ministry of Food Processing Industries has advocated 100% foreign direct investment (FDI) in multi-brand retail of food products as it would give the much needed boost to the food processing sector. Union Food Processing Industries Minister Harsimrat Kaur Badal said that it would also help in development of infrastructure such as cold chains that are critical for the food processing sector. "This will also act as an incentive for global players in the sector to start operations in India," she said.

Cattle feedmill commissioned in Kerala

[13 January 2016] Kerala Feeds Ltd, a government undertaking in India's Kerala state recently commissioned its 300 tonnes/day cattle feed plant in Thiruvangoor. State Agriculture Minister KP Mohanan said that the USD 8 million feedmill will boost cattle feed supply to different locations in the state through 2,600 outlets. The 10.72 acre complex that houses the feedmill also has seven silos for storing feed raw materials. "The MMCP (Milling Mixing Cooking Pelleting) processing technology with imported batch mixer and pellet mill would meet all the modern quality requirements and address the shortage of standard feed in the Kerala market," he added.

IBS Synergies to build poultry slaughter plant in Romania

[11 January 2016] India's IBS Synergies' USD 150 million investment in Romania will include a poultry processing plant with a slaughtering capacity of 30 million broilers per year. Chairman Dr Bindra told Asian Agribiz that Meyn has designed the plant taking into consideration animal welfare, sustainable processing and innovation. It will introduce steam scalding, automatic deboning and reduced animal handling for hygienic products. The company also has plans for the slaughterhouse to produce further processed products in the future. Currently it hopes to produce 1.2kg fresh and frozen whole birds, as well as parts. According to Dr Bindra there is a deficit in the poultry market in Romania making it an attractive market for the company.

India to increase fisheries output by 2020

[11 January 2016] The Indian government plans to increase fisheries production from the existing 10 million tonnes/year to 15 million tonnes/year by 2020. Aditya Kumar Joshi, Joint Secretary (Fisheries) of the Government of India said that the government has set an outlay of about USD 450 million for the implementation of the 'Blue Revolution' program in the next five years. "In the marine fisheries sector, the focus will be on upgrading technology and on developing and strengthening fisheries harbours and fish landing centres in the coastal areas of the country," he said. According to him, the development of cold chain, fish processing centres, ice plants and marketing infrastructure will be part of this plan.

THAILAND

Thai producers clean up their act

[15 January 2016] In the wake of allegations of abuse of migrant workers now in the animal protein sector, Thailand will be forced to upgrade its most valuable asset and comply with international standards. This will only make the industry stronger as a global food exporter, notes PAYUNGSAK WIRIYABUNDITKUL.

Thailand's Tanaosree Group to export cooked chicken to Japan

[14 January 2016] Thailand's Tanaosree Group will export its cooked chicken meat to Japan in Q3 this year, Kanop Sujikara, Deputy Managing Director of Tanaosree Group told Asian Agribiz. The firm is building a processing facility for cooked chicken in Nakhon Pathom province and the facility will come online in the third quarter Mr Kanop said, adding that "export of cooked chicken to Japan in 2016 is estimated at just USD 5.52 million in value terms. This will be a trial period for us to export cooked chicken." Meanwhile, Tanaosree Group exports 800 tonnes of raw chicken meat to Japan each month. Tanaosree Group has set its revenue target for this year at USD 220.49 million, around 30% of its revenue will come from exports.

Bangkok Ranch's earnings to recover in 2016

[12 January 2016] Thailand's Bangkok Ranch's (BR) earnings are expected to recover this year, boosted higher domestic duck consumption and gains in sale price and volume in the Netherlands. BR is the largest fully integrated duck-meat producer in Thailand. Bualuang Securities said that nascent economic recovery in Thailand will increase domestic duck consumption and enhance BR's pricing ability with clients in 2016. Moreover, BR plans to tap into Quick Service Restaurant (QSR) products and is in talks with QSR chains, such as Minor, Oishi and McDonalds. BR is also planning to acquire a 30% stake in a China-based duck operator. The deal is expected to be finalized in the first quarter of 2016.

Thailand's CPF adopts new policy on corn purchase

[11 January 2016] Charoen Pokphand Foods' (CPF) subsidiary, Bangkok Produce Merchandising (BKP), has introduced a new policy on corn purchase, directing farmers to commit to responsible practices in line with CPF's sustainable sourcing policy. BKP has setup a corn traceability system and from January 1, 2016 onwards, the firm will purchase corn only from registered corn farmers and business partners. Somchai Kungsamutr, President and CEO of CP's Feed Ingredients Trading Business Group said that "corn traceability system is a starting point for jointly solving natural resources and environmental problems in a sustainable way."

CHINA

China's booming e-commerce disrupts the grocery value chain

[15 January 2016] Growing e-commerce is disrupting every segment of the Chinese consumer market, and that includes meat, fish and other perishable products once thought impossible to deliver at home. In this first of a two-part series, RICH HERZFELDER reports that meat companies are wrestling with new business models even as they rush to keep up with a booming market.

China stock authorities probe Shandong Delisi

[14 January 2016] Shandong Delisi Foods, one of China's largest meat processing companies, is under investigation by China's stock market authorities. The China Securities Regulatory Commission (CSRC) is investigating unspecified violations of stock market disclosure requirements. The company is actively cooperating with the CSRC, while production and distribution operations are unaffected, a company statement said. Delisi recently announced a joint venture with Australian meat packer Yolaro Pty to build a processing plant in Qingdao. Delisi's previous Chairman, Zhang Heping, resigned in March 2015 due to personal reasons.

Fishmeal exports from Mexico to China doubled in five years

[13 January 2016] Mexican fishmeal producers reported that exports to China last year stood at 215,000 tonnes, almost double the sales in 2010, when the market was opened to fishmeal exports to China, the Secretariat of Agriculture, Livestock, Rural Development, Fisheries and Food said. Last year the National Health, Food Safety and Quality Service issued 141 Certificates of Aquaculture Health for marketing different types of fishmeal, among which are steam dried fishmeal, fishmeal with addition of antioxidants, Mexican sardine fishmeal, 100% Mexican fishmeal, thread herring fishmeal and Atlantic mackerel fishmeal, among others. Mexico exports fishmeal and fish oil to countries around the world including Malaysia, Indonesia, Japan and Bangladesh.

China lifts import ban on live shrimp from Vietnam

[12 January 2016] China's Administration of Quality Supervision, Inspection and Quarantine removed the country's ban on import of live shrimp from Vietnam. According to the Vietnam Association of Seafood Exporters and Producers (Vasep), shrimp exports to China in 2015 totalled USD 344 million, down nearly 17% from 2014. China is currently the fourth largest importer of Vietnamese shrimp after the US, Japan and the European Union. Vietnam's main shrimp exports are frozen tiger shrimp, which account for 30% of total shrimp exports, frozen white shrimp (30%), processed shrimp, lobsters and live crayfish. Vasep said in addition to processed shrimp, China buys unprocessed shrimp from India, Ecuador and Vietnam because its production of farmed shrimp declined in 2015.

ASIA PACIFIC

Prepacked, branded meat makes headway in Asia

[15 January 2016] As urbanisation spreads throughout Asia, its consumers are increasingly becoming more accepting of chilled and frozen meat, but at different paces in various countries. While some consumers have embraced prepacked, precut and preweighed meat, others continue to cherry-pick. ISA Q TAN and the ASIAN AGRIBIZ team take a look at how chilled and frozen meat are currently retailed around the region.

Meat packaging sales to achieve single-digit growth

[13 January 2016] A report by Future Market Insight (FMI) said meat packaging sales will achieve single-digit growth between now and 2025. Demand for new and improved meat packaging across Asia Pacific, Europe and the US is expected to help the meat packaging industry enjoy a decade of modest growth. Thanks to growing urbanization in large landmass countries such as China, coupled with a rise in demand for convenient products, meat packaging has been flourishing, the report said.

Cargill revenue falls 10% in Q2 2016

[12 January 2016] Cargill Inc's revenue fell 10% to USD 27.3 billion in the last quarter due to sliding beef prices and weaker demand in some markets. Revenue for the first half, meanwhile, totalled USD 54.8 billion. The company reported stronger profit from its animal feed and soybean processing segments. "Within the segments, we saw performance gains in key global businesses, including animal nutrition, grain and oilseed processing, most of our poultry operations, and several food ingredients categories," said David MacLennan, CEO. And we are delighted to welcome global salmon feed producer Ewos to Cargill, as it brings new markets and deep expertise in nutrition for cold-water species."

Dubai accredits Philippine Peking duck producer

[11 January 2016] A Peking duck producer in the Philippines, Maharlika Agro-Marine Ventures Corp, received halal certification from Dubai's Ministry of Water and Environment, opening doors for the company to export its products to the Middle East. "We are currently negotiating with a few importers," Vicente Lao, President and CEO of Maharlika told Asian Agribiz, adding that the company "will be exporting to the Middle East and Iran thru Dubai this year." Maharlika has been exporting Peking duck to Japan since 2014, and is also developing the domestic duck meat market.

Source : Asian-agribiz.com