

Cattle to be shipped to a range of live export markets in April, with Indonesian cattle quota almost filled

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(Australia, 1/4/2016) - Mustering has started on stations across northern Australia, but opportunities to sell stock to Indonesia in April will be limited.

Indonesia issued 200,000 permits to import Australian cattle during the first four months of the year, and that quota has almost been filled.

Northern Territory Livestock Exporters Association chief executive officer Stuart Kemp said most of the cattle exported from Darwin in April would be shipped to Asian markets other than Indonesia.

"Exporters chose to front-load this trimester and so a lot of the Indonesian cattle permits have been filled already," he told ABC Rural.

"So there'll be a couple of shipments to Indonesia in April, but a lot of cattle will go to Malaysia, Vietnam, Philippines and perhaps Brunei.

"It'll be smaller volumes going to our smaller markets."

The industry is expecting Indonesia to issue between 150,000 to 200,000 permits for trimester two (May, June, July, August), but Mr Kemp said it was a complex system that determined the number of permits "and time will tell".

He also pointed out that the expected arrival of imported buffalo meat from India could influence demand for Australian cattle.

"There's mixed reports on what impact that will have. Some people think it will have an impact because it's ideal for bakso balls, but others say it won't have a large impact because it's quite gamey and the flavour is not especially desirable to the mainstream public," Mr Kemp said.

The price for live cattle exported from Darwin has eased in recent weeks, with steers to Indonesia now fetching about \$3.50 a kilogram. *To the next page..*

INDONESIA THIS WEEK

With so few ships due out in April for Indonesia, that price is expected to slip further.

"It's hard to imagine it will go below \$3/kg, but nothing is impossible," Mr Kemp said.

"It depends very much on what sort of volume importers apply for.

"If they're not after big numbers, and Indonesia issues permits for 100,000 to 150,000 head [in the second trimester], then prices could go sub \$3/kg."

Mr Kemp said supply and demand, as usual, would play an important factor in the price, and sourcing cattle was

getting easier as northern Australia headed into its dry season.

"Stock camps are ready to go and a lot of the bigger companies are rolling out after the Easter break I think, so we'll start to see a lot more cattle become available," he said.

"It's been so dry since big rains around Christmas, so road train access will be good and we shouldn't have trouble getting cattle." The livestock vessel Finola is due out of Darwin next week with about 2,000 head on board bound for the Philippines. *(abc.net.au)*

Festival Kuliner Nusantara Highlights Indonesia's Culinary Delights

Jakarta (3/4/2016) - Indonesia, strewn across more than 17,000 islands along the equator, boasts some of the world's most exciting foods. Each part of the country takes pride in its own cuisine, characterized by fresh produce and spices. Visitors usually find these delectable flavors addictive.

"Everyone loves to eat," Tourism Minister Arief Yahya said in Jakarta on Friday (01/04). "And many of us are willing to travel to far and difficult-to-reach places for real food."

"That's why food is perhaps the strongest and most effective spearhead in Indonesia's tourism industry," the minister added.

According to Arief, the culinary business contributed Rp 208 trillion (\$16 billion) to Indonesia' GDP last year, making it a major creative industry in this country.

The industry also employs more than three million Indonesian workers. "And our culinary industry definitely has great potential to attract many more [international] tourists to the country," said the minister.

In 2015, approximately 10 million international tourists visited Indonesia. This year, the ministry of tourism aims to attract 12 million visitors from abroad.

To achieve that target, the Tourism Ministry will present a series of exciting activities throughout Indonesia this year. One of them is the Archipelago Culinary Festival (FKN), which will be held in Mal Artha Gading, North

Jakarta, this month.

Visitors of the festival may feast their palates on the 65 culinary booths present, featuring unique dishes from many different regions in Indonesia. Among the dishes are Sambas spicy porridge, Pontianak fried noodles and noodles with shredded crab meat from West Kalimantan.

"It's a great event and we fully support it," said Christiandy Sanjaya, deputy governor of West Kalimantan. "The festival will help to introduce [West Kalimantan's] local cuisines to international tourists and pique their interest to come and visit our province."

In addition to eating and drinking, visitors of the festival can also see cooking demos by the country's celebrity chefs, including Charles Toto from Papua, Marco Lim from Padang (West Sumatra) and Meliana Christianty from Central Kalimantan.

Every dinner time, Indonesia's singers and musicians will also entertain visitors of the festival with live performances. Among the performers are pop singers Tasya and Lusy Rahmawati, as well as pop band 'RAN.'

The Tourism Ministry aims to attract 30,000 visitors during this three-day festival. The target of transactions during this festival is around Rp 1 billion.

FKN 2016 is the first culinary festival held by the Tourism Ministry. The festival is expected to be held annually in different cities each year. The culinary festival is open between 9.30 am and 9.30 pm at Mal Artha Gading from April 14-16, for free. *(jakartaglobe.beritasatu.com)*

VIETNAM THIS WEEK

Unsafe food is the top cause of cancer in Vietnam



Data from agencies in 2014 and 2015 showed that 9,140 kg Salbutamol were imported to produce medicines but up to 6,268 kg of this substance were used in pig farming to produce lean pork. Photo : english.vietnamnet.vn

VietNamNet (29/3/2016) - Every year Vietnam has about 200,000 new cases of cancer, with 75,000 deaths, making Vietnam one of the countries with the alarming rate of cancer, according to a seminar held in HCM City by the Association for Standardization and Customer Protection of Vietnam last week.

According to the Ministry of Health's evaluation, cancer is badly affecting the country's society and economy with more cases of cancer infections meanwhile it costs a big sum to treat the disease.

According to the World Health Organization's figure, there were 14.1 million fresh cancer cases and 8.2 million people succumbed to the disease in 2012. At the meantime, Vietnam had 68,810 new cancer infections in 2000, the figure increased to 126,307 cases in 2010 and an estimated cases of 190,000 will be in 2020.

Dr. Nguyen Ba Duc, Deputy Chairman of the Vietnam Cancer Association, there are three factors that affect cancer, including genetics, polluted environment and diet.

In particular, agents from unsafe food take the lead

among the carcinogenic factors - accounting for about 35% of cases, while genetic factors account for only 5-10%.

Mr. Do Ngoc Chinh, head of the southern office of the Association for Standardization and Consumer Protection of Vietnam, said an alarming problem was the use of antibiotics and lean creating substances in livestock and farming to increase productivity.

Data from agencies in 2014 and 2015 showed that 9,140 kg Salbutamol were imported to produce medicines but up to 6,268 kg of this substance were used in pig farming to produce lean pork.

Vietnam has 6 big hospitals for tumor treatment and 50 specialized wards in hospitals in districts yet they are able to meet 70 percent of the demand. Worse, two leading hospitals including K hospital in Hanoi and Tumor Hospital in Ho Chi Minh City are always overloaded though they have been expanded and built more satellite hospitals.

Cancer patients can not afford the cost of treatment which is a concern of medical workers. Dr. Mai Trong Khoa, deputy head of Bach Mai hospital said that the hospital's survey showed that 34 percent of cancer patient have financial difficulties and not be able to buy medicine after 12 month diagnosis; 22 percent of them not be able to cover transport fee.

Another study carried out by an international organization on cancer treatment cost in Southeast Asian countries including Vietnam showed that 55 percent of cancer patients died 12 months after diagnosis or encountered financial difficulties.

Most of Vietnamese cancer patients are diagnosed in late stage of the disease with only 5 percent being diagnosed in the first stage and 19 percent in second stage. Around 70,000 Vietnamese cancer people have died of the disease annually. (english.vietnamnet.vn)

Vietnamese government to undergo major changes next month

Vietnam (28/3/2016) - There will be major changes in the Vietnamese government as 20 of its incumbent members, including the prime minister, could step down from their positions after the grand election next month.

Vietnamese Prime Minister Nguyen Tan Dung, along with 19 of his cabinet members, will end their term in charge after the National Assembly concludes its election of the nation's leaders in early April, Dung said during the regular government meeting on Saturday.

The current Vietnamese government consists of 27 members, including a prime minister, five deputies, 19 heads of ministries, a state bank governor, and an inspector-general. The purpose of this month's gathering was to review the country's socio-economic performance in the first quarter of 2016.

There has been positive progress amidst several ongoing challenges, PM Dung said, adding that authorities should now focus on dealing with any obstacles if stated goals are to be met.

The premier urged all Vietnamese to enact measures to back agricultural production in areas devastated by natural disasters.

Short-term solutions such as expediting anti-drought and salinization measures, including the efficient use of water, and adjusting crop and cattle structures to suit climatic conditions should be applied to minimize damage.

In addition, authorities are required to closely monitor the living conditions of citizens in disaster-hit locations in order to provide assistance wherever needed with regard to food and clean water, and to prevent potential epidemics, according to PM Dung.

As regards the continuing dispute over sovereignty in the East Vietnam Sea, Prime Minister Dung said that the Ministry of Foreign Affairs had been coordinating with relevant agencies to present a specific report to the Politburo.

As the public is very mindful of the situation, the Party and State should be transparent in their actions, showing people that they are carrying out an appropriate strategy, PM Dung stated.

The excessive use of banned chemicals in animal

husbandry, which has recently raised public concern, was also addressed at the meeting.

Authorities have been working together to stop the import of prohibited substances into Vietnam, while carrying out strict inspections at local breeding farms, said Cao Duc Phat, Minister of Agriculture and Rural Development.

He added that any offense related to the use of banned chemicals in animals will be considered criminal violations after July 1.

The Minister of Transport and Secretary of the Ho Chi Minh City Party Committee requested that accountability be clearly attributed to individuals responsible.

Deputy Minister Vu Duc Dam weighed in by saying that inspection and penalization must be done consistently.

At the end of the gathering, PM Dung presented a farewell speech to other cabinet members. "On April 6, I will be removed from my current duty by the National Assembly. By then, I will have been the prime minister for nine years and 10 months," the premier said.

Dung said that he and the other 19 members of the government would not be joining its regular meeting next month, before extending his gratitude toward the entire cabinet for assisting him during his time in office.

"We have been a united group over the past 10 years and together we have overcome many difficulties and challenges," Dung said.

He sent his congratulations to the delegates who will be re-elected for another term, hoping that they would successfully fulfill their roles. Dung also wished the 19 outgoing members and himself all the best and to continue living their lives as good citizens.

Vietnam's National Assembly will elect the nation's State President, Prime Minister and National Assembly Chairperson as well as heads of other state agencies for the 2016-20 term during its plenary meetings scheduled for March 21 and April 12.

According to the agenda, Dung will be officially removed from his position on April 6 before the new prime minister is determined the next day.

On April 8, the other 19 cabinet members will also step down from their current posts. (*tuoitrenews.vn*)

VIETNAM Business In Brief

Agro-fishery-forestry exports rise to over \$6.7b

Agro-fishery-forestry exports were estimated at US\$6.73 billion in the first quarter of this year, a year-on-year increase of 3.1 per cent, according to the Ministry of Agriculture and Rural Development.

Many types of agricultural produce saw increasing export values in the first three months, of which some 1.59 million tonnes of rice were shipped to foreign markets and brought home \$692 million, up 41.6 per cent in volume and 40.8 per cent in revenue against the same time last year.

Indonesia emerged as Việt Nam's largest rice importer with 31.42 per cent of the market share, followed by China with 17.15 per cent. Overseas shipments of 479,000 tonnes of coffee also earned the country \$808 million, showing annual gains of 30.2 per cent and 5.7 per cent in volume and value, respectively.

Despite a 1.7 per cent reduction in export volume to 55,000 tonnes in Q1, cashew nuts still contributed revenue of \$416 million to the country's total exports, up 3.3 per cent, thanks to a price hike of 5.5 per cent. The United States, China and the Netherlands remained Việt Nam's largest cashew consumption outlets with market shares of 27.5, 21.2 and 12.7 per cent, respectively.

In stark contrast, the volume of tea exports declined by 5 per cent to 23,000 tonnes, compared to the same time in 2015. As such, its revenue was down 10.2 per cent to \$35 million. The value of aquatic exports in the quarter was calculated at nearly \$1.36 billion, rising 1.7 per cent from the same period last year.

Accounting for roughly 51.8 per cent of the market share, the United States, Japan and China remained Việt Nam's largest seafood consumption markets. In the first quarter, the country also earned \$1.49 billion from the export of wood products, down 1.4 per cent. As for imports, the country had to spend \$5.31 billion for agro-forestry-fishery imports in Q1, down 3.9 per cent against the same period last year.

Thailand to host ASEAN agricultural business expo

The second annual SIMA ASEAN Thailand international agricultural trade show will be held in Bangkok next September. It is expected to attract more than 450 Thai and international agricultural companies. It will have an exhibition area of 13,500sq.m indoors and 10,000sq.m outdoors, Tita Kanittanon, assistant marketing manager at Impact Exhibition Management Co.,Ltd, one of the organisers, said.

SIMA offers a comprehensive range of products and services like tractors, spare parts and accessories, embedded electronics, tilling, sowing, planting, harvesting and post-harvest equipment, equipment for tropical and special crops, handling, transportation, storage and breeding equipment, renewable energy, consultancy, management and software.

The latest innovations pertaining to regional crops will be presented and conferences to assist ASEAN farmers and breeders will be held.

SIMA ASEAN would mainly cater to the demand for agricultural machinery and growth in mechanisation of agricultural practices in ASEAN countries, including Viet Nam, Kanittanon said. The event expects to have Vietnamese exhibitors this year, she said. Held at the Impact Exhibition Centre from September 8-10, it is expected to welcome more than 25,000 visitors compared to last year's 13,200, she added.

Vietnamese economy struggles as growth slows in first quarter

Disappointing GDP growth in the first quarter of 2016 suggests that Vietnam's economy may be experiencing a slowdown; if no bold measures are taken, the full-year target of 6.7% will be elusive.

According to the General Statistics Office (GSO), Vietnam's economic output during January-March increased by 5.46%, better than the same period in 2012, 2013 and 2014, but short of the 6.12% expansion seen in the first quarter of last year. The services sector made the largest contribution with its value up 6.13%, the fastest pace since 2012. Combined industry and construction also rose 6.72% but nothing close to the 8.74% increase in the first three months of 2015. Industry only rose by 6.2% compared with 9.27% last year due to a 1.2% contraction in mining and extraction, with crude oil down 3.7%, and manufacturing up by only 7.9% compared with 9.7% in the first quarter of 2015.

On the contrary, construction during the January-March period posted an impressive growth rate of 9.94%. This marks the largest increase since 2010, in which the private sector saw a rise of 23% and the State sector 11%, while growth in other sectors went into negative territory, said GSO General Director Nguyen Bich Lam.

The economic picture in the first three months of the year was a mix of highs and lows. During the said period, more than 23,700 new enterprises were formed with total registered capital reaching VND186 trillion (US\$8.37 billion), marking increases of 24.8% in enterprise numbers and 67.2% in capital. The number of businesses resuming operation also rose by 84.1% compared with the same period last year. But according to the GSO, slow growth, coupled with negative external impacts, caused domestic enterprises to face more and more difficulties. The first quarter saw more than 2,900 enterprises completing dissolution procedures and ceasing their operation, an increase of 13.8% from a year earlier. Those forced to close temporarily also numbered more than 20,000, up 23.9%.

The first quarter of 2016 is the starting quarter of the 2016-2020 socio-economic development plan. This quarter's performance will provide impetus for the whole economy, especially as most forecasts are upbeat about Vietnam's economy. However, the disappointing figures above suggest that growth is being maintained but is slowing down and inflation, although still running low, is showing signs of bouncing back. The target of 6.7% for the whole year is now an enormous challenge, given that Vietnam's economy is being additionally hit by severe natural disaster and risks from the world economy's fragile recovery.

According to the GSO head, sharp falls in global commodity prices, especially plummeting crude oil, slowdown in global trade growth, and unpredictable volatility of the financial and monetary markets in the world and China in particular, adversely affected Vietnam's economy, with exports and government revenues hardest hit. Earlier this year, strong cold spells caused substantial damage to plants and livestock in northern mountainous provinces. Severe on-going salt intrusion in the Mekong Delta and drought in the Central Highlands, South Central and South Eastern regions have also wreaked havoc on agricultural production and the lives of local residents.

These woes caused the agro-forestry and fishery sector to post negative growth for the first time in many years, slumping by 1.23% in the first quarter. Respective growth of 6.24% and 2.12% in the forestry and fishery sub-sectors failed to lift the sector's overall growth due to a sharp decline of 2.69% in agricultural production.

The GSO head predicted that in the remaining quarters of 2016, Vietnam's economy would continue to suffer from impacts of drought, salt intrusion and abnormal weather patterns unfavourable to agriculture and aquaculture. In addition, oil prices will remain volatile. He said oil prices have shown signs of recovering recently but are projected to remain low, which will affect oil-related revenues. But lower oil prices could also boost the domestic economy thanks to lower input costs for most sectors, which in turn will increase gross domestic product and offset lost revenues from crude oil. The economic picture in the remaining months of 2016 will see more disadvantages than advantages. As such, the government, local authorities and enterprises should take a more proactive and flexible approach to overcome the difficulties in order to fulfil the set targets.

Japanese food processors call for simplified import procedures

The tra fish (pangasius) export price is forecast to rise between 20 to 30 percent in April in key import markets due to a lack of domestic supply, according to the Vietnam Association of Seafood Exporters and Producers (VASEP). In the first two months of the year, China was Vietnam's third biggest tra fish importer, following the US and the EU, with an increase of 33.3 percent in export value from the same period last year, accounting for 11.5 percent of the total tra fish exports.

The export price in the US is also expected to rise at the same rate, partly due to a rise in expenditures following recently approved inspection regulations issued by the US Department of Agriculture (USDA). In the reviewed period, Vietnam saw a year-on-year increase of 8.3 percent in its tra fish export value, while output dropped 17 percent from the same period last year to 114,000 tonnes, the association said.

Material output recorded a year-on-year decrease of 40 percent, VASEP Vice President Duong Ngoc Minh said, adding that the trend will continue. The limited supply can only meet the demand of the three key import markets – the US, the EU and China, Minh added. Minh pointed to the cause of the drop in tra fish supplies, saying that many farmers and households stopped raising tra fish in July last year and shifted to other crops with higher domestic value. Minh also called on the Government to offer incentives to the sector to ensure production in 2017.

The association plans to develop a number of measures and projects to improve tra fish quality and ensure sustainable production, according to Minh. The efforts include ranking the sector's enterprises, mapping out tra fish raising areas, restructuring the sector in the Mekong Delta and setting up an online Mekong Fish Market, Minh said.

According to the association, in 2015 the total tra fish export value reached 1.6 billion USD, 10 percent lower than in 2014. External Trade Organisation.

A similar programme has been carried out successfully in the Philippines, the JICA official said, adding that he hopes the programme will be successful in Lam Dong so it can be expanded to other localities. In addition to the preferential ODA provision, JICA will also offer technical support to help augment banks' abilities to verify loan-seeking dossiers and monitor enterprises' use of the loans, Mori Mutsuya said.

GreenFeed Vietnam inaugurates animal-feed factory in Ha Nam

GreenFeed Vietnam JSC on March 18 inaugurated a factory producing animal feed in the northern province of Ha Nam. The GreenFeed Ha Nam Factory, built on five hectares in the Dong Van 2 Industrial Park (IP) in Duy Tien district at a total cost of 37 million USD, has an annual capacity of 400,000 tonnes.

It is expected to meet the demand for animal feed in the province and surrounding areas, as well as creating jobs for locals. Addressing the inauguration ceremony, Chairman of the company's Management Board Ly Anh Dung pledged environmentally-friendly operations at the factory.

Vice Chairman of the provincial People's Committee Pham Sy Loi called on the firm to observe local regulations and take good care of its employees. He also urged the IP Management Board, relevant sectors and local authorities to ensure optimal conditions for the investor to operate in the locality.

In 2015, local industrial parks in the province attracted 39 projects, 28 of which were foreign invested, with a combined registered investment of 391 million USD. They are now home to 230 active projects, including 131 foreign invested ones with a total registered capital of 1.3 billion USD.

Currently, the province has eight industrial parks that cover an area of 2,000 ha. The industrial park Dong Van III, which is under construction and geared towards the supporting industry, will apply its own mechanisms and policies. The locality has approved plans for 18 industrial clusters on an area of nearly 500 ha.

Vietnamese farm produce exports should prosper in 2016

Vietnamese farm produce exports are predicted to thrive this year due to increased market demand and several free trade agreements Vietnam has signed. The Ministry of Agriculture and Rural Development and the Ministry of Industry and Trade have outlined a number of measures to help domestic businesses boost export volumes.

In the first two months of this year, Vietnam earned nearly US\$3 billion from exporting agricultural, forestry, and aquatic products, up 9.7% from last year and making up 12.5% of the total export revenue. Cashew nuts, rice, and coffee are among the items with the greatest expected rise in export volume.

This year Vietnam's farm produce exports are said to boom due to market demands and the impacts of free trade agreements between Vietnam and partners. Vietnam's main export markets are the US, the EU, China, and Africa. The key market is the US, which is forecast to rise strongly. Exports of vegetables and fruits in particular have grown, with possible revenues of US\$2 billion by the end of this year.

Nguyen Van Bich, a market analyst, suggests several ways to ensure exports to demanding markets like the US, the EU, and Japan. "The first and foremost thing we should do now is restructure agricultural production and make more accurate market forecasts. Vietnam has 11 major agricultural export items but many of them have found it hard to grow any further, so we need to identify new agricultural products of high potential and competitiveness", said Bich.

"For example, bananas could reach US\$1 billion in revenue. Vegetables could also earn billions of US dollar in profits. As far that I know Malaysia, Indonesia, and Singapore have a high demand for imported Vietnamese vegetables", he noted.

Vietnam's agricultural exports are facing challenges. In addition to quality and food safety barriers, certifying product origin is a headache for Vietnamese producers and exporters.

The Ministry of Agriculture and Rural Development and the Ministry of Industry and Trade have stepped up planning and building specialized material production zones and diversifying products. Farmers and businesses are working hard to turn out qualified items that meet food hygiene and safety standards. Economist Vu Dinh Anh said both hard currency earners and potential export products should focus on two things.

First, they should choose either quality or quantity. Second, they should develop a brand for every agricultural export item", Dinh Anh added. To take advantage of international integration, trade counsels abroad must work harder to create accurate market forecasts and effective trade promotions.

The government, meanwhile, has taken a number of steps to help farmers invest in new technology, apply science and technology to production, preservation, and processing, and strengthen links among farmers, processors, and consumers.

MALAYSIA THIS WEEK

Lay Hong enters JV with NH Foods to penetrate new markets

KUALA LUMPUR (31/3/2016) - Lay Hong Bhd has entered into a joint-venture (JV) with Japan-based NH Foods Ltd to, among others, make and sell processed meat-based foods.

This is part of the plan by processed chicken and chicken-related product supplier to expand overseas, especially to markets with large potential like Singapore and Japan.

Under the agreement, a private limited company, NHF Manufacturing (M) Sdn Bhd, will be set up to manufacture, market, distribute and sell processed meat-based foods.

“The JV agreement will enable Lay Hong to leverage on NH Food’s research and development (R&D) as well as manufacturing skills, to enable overseas market penetration.

“In addition, the JV is expected to improve Lay Hong’s

financial position in the long run and transform from a poultry player to an integrated food company,” said Lay Hong executive director Yap Chor How after the JV signing ceremony.

Meanwhile, meat processor NH Foods will be able to enhance its business presence in the South-East Asian market through the JV company.

In Malaysia, the poultry sector is the biggest component of livestock industry and it is supplying about 81% of total meat and almost 111% egg demand by the domestic market. Malaysia is the third largest producer of poultry meat in the Asia-Pacific region. (*thestar.com.my*)

‘Malaysia can still withdraw from TPPA if pains outweigh gains’

KUALA LUMPUR (29/3/2016) - Malaysia has still the option of withdrawing from the Trans-Pacific Partnership Agreement (TPPA) if the government finds that it has more disadvantages than benefits.

Deputy International Trade and Industry Minister Datuk Ahmad Maslan said Malaysia could do so, despite having signed the TPPA, by giving a six-month notice to the TPPA Commission as enshrined under Article 30.6 of the trade pact.

“If the TPPA bring more disadvantages than benefits, Malaysia can bring it to the attention of the members

through the Commission for discussions on a resolution or assist the country in overcoming the problems.

“If Malaysia still feels the proposed solutions are not tenable, we have the ultimate choice of withdrawing from the TPPA,” he said in reply to a question from Zuraida Kamaruddin (PKR-Ampang) in the Dewan Rakyat yesterday.

Read more: <http://www.theborneopost.com/2016/03/29/malaysia-can-still-withdraw-from-tppa-if-pains-outweigh-gains/#ixzz45LIVBmlo>

Food price inflation the highest in 49 months

KUCHING (29/3/2016) - February headline inflation came in line with analysts expectation at 4.2 per cent, as compared to 3.5 per cent in the previous month but food and non-alcoholic beverages continued with its upward momentum.

MIDF Amanah Investment Bank Bhd’s research arm (MIDF Research) noted that inflation in February reached 4.2 per cent, the highest level in seven years.

Most of the increase, it said, was due to the low pump price in February last year at RM1.70, which was much closer to the February 2016 pump price at RM1.75.

On the other hand, core CPI increased by 3.6 per cent on year, similar to the previous month.

Food and non-alcoholic beverages continue with its upward momentum, highest in 49 months. FNAB price index rose in February, the highest in seven months, leading to 4.8 per cent inflation on yearly basis, the highest in 49 months.

Read more: <http://www.theborneopost.com/2016/03/29/food-price-inflation-the-highest-in-49-months/#ixzz45LzpyIE>

CHINA THIS WEEK

China overcapacity darkens Asia's 2016 growth prospects — ADB

BEIJING (31/3/2016) - Huge industrial overcapacity in China will drag on both the country's and the region's growth this year, the Asian Development Bank said Wednesday, cutting its forecast for the world's second-largest economy.

China's GDP growth is expected to slow to 6.5 per cent in 2016, the ADB said in its flagship Asian Development Outlook, lowering its December forecast of 6.7 per cent.

With China casting its shadow over the continent, the bank also reduced its prediction for Asia's growth to 5.7 per cent, down from 6.0 per cent and slower than last year's actual 5.9 per cent expansion.

China's "growth moderation and uneven global recovery are weighing down overall growth in Asia", said the ADB's chief economist Shang-Jin Wei.

The document comes at a time of global uncertainty about Beijing's ability to make much-needed cuts to its steel, coal, and cement sectors and manage a tough economic transition to a more consumer-led model.

China's economy grew at its slowest pace for a quarter-century last year, and concerns have been mounting it could soften further after Beijing set a 6.5-7 per cent target for 2016.

"Weak external demand and excess capacity in some sectors, on top of a shrinking labour force and rising

wages, continue to induce a gradual decline in the PRC's growth rate," Wei said.

A "sharp slowdown" in Chinese real-estate investment will be a "drag" on the economy, the bank added, although it would be partly offset by consumption and green investment.

The ADB's China economics head Jurgen Conrad said the government "urgently needed" to accelerate cuts to excess capacity in real-estate and manufacturing, and cited high corporate debt as another challenge.

"Supply-side reform is what China needs and what Asia needs," he said, adding that Beijing would not use "shock therapy" to make changes.

The ADB's China economics head Jurgen Conrad said the government "urgently needed" to accelerate cuts to excess capacity in real-estate and manufacturing, and cited high corporate debt as another challenge.

"Supply-side reform is what China needs and what Asia needs," he said, adding that Beijing would not use "shock therapy" to make changes.

Elsewhere across the continent the prospects were brighter, however, according to the Manila-based bank.

The ADB predicted growth in India, the fastest-expanding large economy in the world, would slow to 7.4 per cent, from 7.6 per cent in 2015, but would accelerate again to 7.8 per cent in 2017. *(AFP/theborneopost.com)*

Chinese coal giant turns to Australian beef in search of growth

China (23/2/2016) - In a back to the future moment reminiscent of the 1990s tech boom, Chinese coal miner Yankuang Group is establishing an e-commerce platform focused entirely on selling high-end Australian products into fast-growing markets on the mainland.

As a tonne of coal in China remains cheaper than the equivalent amount of water, Yankuang is looking to diversify beyond the resources sector and into the retailing of beef, milk powder and vitamins.

Its Australian subsidiary, the ASX-listed Yancoal, will

"The next couple of years will be tough because we are going to be short of volume in Australia," said Michael Finucan, the general manager of international markets at peak body, Meat & Livestock Australia.

The tight supply is due to farmers rebuilding their herds after the recent drought. At the same time Australian producers are facing increased competition from Brazil, which has 11 plants licensed for export to China.

ASIA PACIFIC THIS WEEK

WA cattle boom: Kimberley live exports attract record prices on soaring Asian demand

Australia (2/4/2016) - The mood is buoyant in the cattle industry in Western Australia's Kimberley region, as producers rake in the highest live-export prices ever seen.

Roebuck Plains station is among those capitalising on a spike in demand, with 7,000 head of cattle rounded up and trucked to export yards near Broome.

"For us it's looking pretty good," station manager John Geddes said.

"The money's very good, the best it's ever been. The prices are around \$3.50-plus per kilo for cattle, depending on the quality of the cattle obviously, so you could nearly say the prices have doubled what they were a few years ago.

"Everyone seems to be optimistic and excited about the future, so it's a good chance to capitalise."

Northern pastoralists endured a tough few years following the Federal Government's suspension of live exports to Indonesia in 2011.

But Kimberley Pilbara Cattlemen's Association executive officer Catherine Marriott said the stars had aligned for the 2016 season.

"We've got a shortage of supply right across Australia



PHOTO: Drought in the eastern states has driven up prices and demand for WA cattle. (Matt Brann: ABC Rural)

and the US caused by drought and what-not, and a significant market demand from Asia, with growth in China, Indonesia and Vietnam in particular," she said.

"Prices are as high as they've ever been which is wonderful ... there are amazing market conditions and the pastoralists are really taking advantage of that."

According to Meat and Livestock Australia, the national herd has shrunk to 26 million head of cattle this year, after peaking at 29 million two years ago.

That is largely a result of drought in the eastern states, and is further driving up demand for Kimberley and Pilbara stock. Read more at : <http://www.abc.net.au/news/2016-04-02/record-prices-for-live-kimberley-cattle-exports/7292982>

Rabobank: Global beef outlook report

US (30/3/2016) - South America's beef exporters are set to increase exports by an estimated 11 percent in 2016. This increase is supported by favorable currency values, improved access to importing countries and increased availability of beef.

While Brazilian consumers are seeing their purchasing power decline, local beef prices remain high. On the supply side, cattle producers have been encouraged to maintain cows in their herd rather than sending them to slaughter-a result of high calf prices driven by low calf availability.

Meanwhile, the weaker currency has made Brazilian beef very competitive on international markets, and strong global demand has pushed local market prices higher. The resulting high domestic beef prices have

pushed consumers towards cheaper competing proteins, such as poultry, freeing up additional beef for exports.

Other regional highlights from the Beef Quarterly Q1 2016:

- Despite a slowing economy, official Chinese imports of beef continue to increase. China's official beef imports surged by 60 percent YOY in 2015, reaching 473,000 tonnes.
- Supplies are drying up, as Australian beef production is expected to remain low in 1H 2016.
- The USDA's outlook report released on February 25th, forecast that U.S. imports of beef and veal will drop by 24 percent to 900,000 tonnes. (cattlenetwork.com)

INDONESIA

Blitar in Indonesia to add 5000ha for corn cultivation

[01 April 2016] The local government of Blitar regency in East Java has plans to add 5000ha of new corn land by 2017 to meet growing demand for animal feed. Palal Ali Santoso, Secretary said the local government has prepared 3500ha of land. “With productivity of 4-5 tonnes/ha, the produce is expected at an additional 15,000 tonnes apart from the current 260,000 tonnes,” Mr Santoso said, adding that current corn production only meets 40% of the total demand for animal feed in the regency. Blitar is the largest egg producing region in Java. Most of the layer farmers mix their own feed.

Indonesia yet to start importing breeder cattle

[01 April 2016] Indonesia’s Ministry of Agriculture’s target to import 50,000 heads of breeder cattle from Australia this year has yet to see fruition. The auction process was supposed to have been completed in March, for importers to start bringing in the cattle until August. However, until now the ministry has not announced the auction. Last year the ministry targeted to import 30,000 heads of breeding cattle, but only 22,000 heads were brought in.

Cattle farmers oppose Indonesia’s zone based imports

[30 March 2016] Indonesian President Joko Widodo signed a Government Regulation (PP) under the Animal Husbandry and Animal Health earlier this month, to allow the import of beef and cattle from zones within countries. Responding to this, local cattle farmers said this is inconsistent with the country’s effort to maintain its foot and mouth disease (FMD) free status. Ilham Akhmadi, owner of Bhumi Andhini Farm said: “If the government allows imports from India for instance, it will kill small and medium scale farmers.” Meanwhile, Kurnia Achjadi from Bogor Agricultural University said the government has to tighten import requirements from countries that are not yet free from FMD as this could harm the local industry.

Indonesia’s copra meal consumption to increase

[30 March 2016] Copra meal consumption in Indonesia for animal feed is expected to rise to 205,000 tonnes in 2015/16 and 210,000 tonnes in 2016/17, following the general trend of animal feed production growth in the country, according to a USDA GAIN report. Based on copra crush and coconut oil production, Indonesia is expected to produce 515,000 tonnes of copra meal in 2015/16 and 510,000 tonnes in 2016/17. Declines in meal production keep pace with declines in coconut production, the report said.

Indonesia’s corn exports surge 580%

[29 March 2016] In the midst of corn scarcity in the country due to corn import limitations, Indonesia’s Minister of Agriculture, Andi Amran Sulaiman claimed the country’s corn exports last year surged by 581%. “In 2014 we exported 37,000 tonnes of corn, while last year we exported 252,000 tonnes with Gorontalo province as the largest contributor with 109,000 tonnes,” said Mr Sulaiman. He hopes farmers, especially in Gorontalo continue to develop corn as their main crop. To support this, the ministry has allocated around USD 724,000 for food crops development including corn in the province.

Jakarta to eliminate backyard poultry

[29 March 2016] Backyard poultry raising will be banned in Indonesia's capital Jakarta by 2017 as part of efforts to prevent avian influenza. The move follows an outbreak of avian influenza in South Jakarta. The virus is reportedly the H5N1 strain. Basuki Tjahaja Purnama, Jakarta Governor, asked for backyard poultry farms and slaughterhouses to be relocated outside the city, but a lack of sufficient facilities has slowed down relocation efforts.

AI hits poultry in West Java

[28 March 2016] Indonesia's Animal Husbandry Agency in West Java recently reported 43 avian influenza (AI) outbreaks in the province from January to March 21. Doddy Firman Nugraha, Head of the agency, said AI (H5N1) resulted in the death of 16,866 birds in nine regencies. "Of this, broiler and layers made up 13,528 birds, 2,138 ducks and 1,200 quails," said Mr Nugraha. "We will strengthen the monitoring of poultry and distribution to and from Jakarta," he added.

Indonesia's halal certificate cost too high for Aussie exporters

[28 March 2016] Australian beef exporters are not happy with Indonesia's country-based meat import allocation system and the expenses they must bear to obtain halal certificates. In a recent meeting with Indonesia's Trade Minister Thomas Lembong in Sydney, Australian businessmen expressed concerns about the notification system and the costs of halal certificates. "Indonesia is now in the process of deregulating several sectors, and we are hoping to modernise our agricultural sector and minimise concerns like this," Mr Lembong said.

MALAYSIA

Malaysia's CAB Cakaran places 9.9% stake with Antoni Salim

[01 April 2016] Malaysian poultry integrator CAB Cakaran Corporation Bhd announced recently that it will place a 9.85% equity stake, valued roughly at USD 7.76 million, to Indonesian tycoon Antoni Salim's Singapore-based Plant Wealth Holdings Ltd. From the amount raised, CAB Cakaran plans to pay back bank borrowings, use a portion as general working capital and to cover expenses of this corporate exercise. Its Managing Director Chuah Hoon Phong said CAB Cakaran will leverage off Plant Wealth's subsidiary KMP Investments' market presence in Indonesia in the categories of agribusiness and fast-moving consumer goods. This, he said, will facilitate CAB's growth regionally.

Poultry integrators in Malaysia should consider value-added products

[28 March 2016] Poultry integrators who are keen to expand downstream can partner restaurant operators by supplying value-added products. "Instead of raw cut-up chilled birds, producers can supply marinated chicken. This will speed things up at the outlets and it is additional throughput for them," Gaik Wong, Managing Director and co-founder of TCRS Sdn Bhd, operator of The Chicken Rice Shop, told Asian Agribiz. "Farming is capital-intensive, and value adding or even opening restaurants is a natural progression, but piggy-backing with existing restaurants is a shortcut worth pursuing," she said.

INDIA

Diseases hamper vannamei production in India

[30 March 2016] India's Krishna District Fisheries Department reported that last year vannamei shrimp production in the district worth around USD 89 million was infected by white spot and other diseases. At least 11,000 tonnes of vannamei was infected in brackish water ponds across the district. "Lack of quality brood stock is one of the reasons for the diseases in the district," said A Solemn Raju, Assistant Director at the department.

Fresh To Home launches its brand in India

[29 March 2016] Fresh To Home, India's first e-commerce venture for fresh, chemical free seafood and meat, has announced the official launch of their brand in India. The company unveiled the Fresh To Home marketplace (freshtohome.com), a first of its kind Internet based marketplace that will organise and connect fish and meat suppliers directly to customers. The company also announced the launch of same day delivery operations across two time slots in across 100 locations in Bangalore, said Shan Kadavil, CEO.

Cows go online in India

[28 March 2016] Over the past few years, since India's e-commerce boom began, a number of farmers have also taken to popular online market places such as OLX and Quikr to sell their cows and buffaloes. According to Quartz India, a substantial number of them came from India's tier II and tier III towns. Last year, even goats were sold online during the Muslim festival of Bakra Eid. OLX showed the sales of cows and buffaloes were 1308 heads and 200 heads, respectively. Meanwhile on Quikr, the sales were 246 heads and 56 heads, respectively.

THAILAND

CP to set up social enterprise in northern Thailand

[30 March 2016] Charoen Pokphand Group (CP) plans to launch a social enterprise in Nan province in northern Thailand, said Suphachai Chearavanont, Vice-chairman of CP Group. CP Social Enterprise Nan will urge farmers to reduce corn in mountain areas in Nan province and grow alternative crops that have higher value. "The new enterprise will offer local communities knowledge, technology, management practices and access to markets," he said, adding that the enterprise will grow environment-friendly crops in reduced areas, reducing deforestation in Nan province. CP Group had been accused of buying corn from deforested areas. Subsequently, Charoen Pokphand Foods' (CPF) subsidiary, Bangkok Produce Merchandising, introduced a corn traceability system at the beginning of this year.

Thai Seafood producers see potential in Myanmar

[28 March 2016] Some Thai seafood firms plan to set up processing plants in Dawei Special Economic Zone in south eastern Myanmar, the Nation reported. Thai seafood operator Somchai Aimimjit has reserved a four-acre space in Dawei Special Economic Zone and aims to build an ice plant followed by processing plant. Mr Somchai expects more Thai seafood companies to move their operations to Dawei in the next five years, citing Myanmar's huge labour pool. He also expects to gain from investment privileges offered to businesses as well as the European Union's generalized system of preferences (GSP) offered to labour-incentive industries in Myanmar. EU cut Thailand's GSP tariff privileges last year.

CHINA

Yum to sell minority stake in China business

[01 April 2016] Yum Brands is in talks with KKR and other private equity groups to sell a minority stake in its Chinese business, which the US fast food operator plans to spin off this year. People familiar with the matter said that the company behind KFC plans to sell as much as 19.9% in the Chinese unit, valuing its China operations at about USD 10 billion. The decision to sell a stake comes a few months after Yum agreed to spin off its China unit. “We continue to make good progress since we announced the transaction separating Yum and Yum China into two powerful, independent, focused growth companies,” a spokesperson of Yum said.

China reports 11 deaths from avian influenza

[30 March 2016] China has reported an additional 29 confirmed human cases of H7N9 avian influenza, including 11 deaths, according to the World Health Organisation. Most of the cases were exposed to live or freshly killed poultry, but five cases reported no clear poultry exposure. The cases covered six provinces and included three two-person clusters, including a man in Jiangsu Province who reported exposure to live poultry before he became ill. He was cared for by his sister, who had no known live poultry exposure but was also infected with the disease, raising the possibility of a rare case of human-to-human transmission.

Chinese revive bid to buy Australian property

[28 March 2016] A Chinese investment company is reviving its bid to buy Australian agricultural property, but the projected purchase has shrunk by half, the Chinese news agency Xinhua reported. The Australian government rejected Shanghai Pengxin’s previous deal to buy S. Kidman & Co’s holdings because half the 101,000 km² property was part of the Woomera Prohibited Area, a military testing facility. However, Pengxin has now joined hands with Australian Rural Capital to renew the bid, but exclude the military testing zone. Xinhua also said Pengxin may face competition for the property because a Hong Kong group, Genius Link Asset Management, is also planning a bid.

ASIA PACIFIC

Asia needs to combat IUU fishing

[01 April 2016] The FAO-convened workshop on IUU (illegal, unreported and unregulated) fishing in Kochi, India recently, emphasised the need to combat illegal fishing and strengthen seafood traceability in Asia. Seafood products are among the most widely traded food commodities in the world, with estimates for 2015 placing the value of international fish trade at USD 130 billion. But IUU fishing – estimated around USD 10-23 billion annually, is undermining the industry. IUU fishing could account for up to 26 million tonnes a year, or more than 15% of the world’s total annual capture fisheries output, speakers at the workshop said.

New procedures for handling and use of MSM approved

[24 February 2016] The Philippine Department of Agriculture (DA) has issued new regulations for handling and use of mechanically separated meat (MSM). The new circular, which took effect on February 4, is expected to “ensure that MSM, as raw material for heat-treated meat products, will be hygienically handled throughout the entire production chain in order to ensure food safety and quality.” The circular covers the composition, hygienic handling practices and use of both locally produced and imported MSM from pork and poultry.

Vietnamese look for ‘hometown’ produce amid food safety scares

[01 April 2016] Reports of food items tainted with banned drugs and food poisoning scares are driving some Vietnamese consumers who live in big cities such as Hanoi and Ho Chi Minh City to source for produce in rural provinces. Consumers are shunning supermarkets and wet markets, and buying meat, fish and rice in bulk from their hometowns. A local daily detailed how some families buy freshly-slaughtered chicken from family-owned slaughterhouses back home and seafood right off fishing boats. Packages of produce also arrive from villages into the cities on trains. Shops are sprouting just outside large cities selling ‘clean food’ straight from local farms.

CJ CheilJedang bid fails, Masan acquires 14% of Vissan

[30 March 2016] Vietnamese Masan Group’s Anco International Agricultural Nutrition JSC outraced South Korean-based CJ CheilJedang Corp to acquire a strategic holding in state-owned food processing company Vissan at its IPO auction recently. Vissan held its IPO on March 7 where it sold another 14% to the public. CJ CheilJedang’s bid was lower than Anco’s by USD 0.24 per share. According to Vissan’s equitisation plan, the state holds 65% of the company, 14% is held by the strategic investor, 14% by the public and 7% by staff and the trade union.

Pakistan imports DDGS from US

[29 March 2016] Pakistani importers have purchased about 45,000 tonnes of DDGS from the US for animal feed, according to European traders. The purchase was made at around USD 215 a tonne c&f for March/April shipment, they said. Pakistan has purchased DDGS in the past but mainly in small container load consignments.