

**AFCM
ASEAN FEDERATION OF CEMENT
MANUFACTURERS**

**Report
on the
Proceedings
of the
38th Council Meeting**

**November 20- 21, 2014
Grand Plaza Hotel, 117 Tran Duy Hung, Cau Giay, Hanoi**

**Hosted by
Vietnam National Cement Association (VNCA)**

**REPORT OF THE PROCEEDINGS OF THE
38th COUNCIL MEETING
ASEAN FEDERATION OF CEMENT MANUFACTURERS**

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**REPORT ON THE PROCEEDINGS OF THE
38th COUNCIL MEETING OF THE
ASEAN FEDERATION OF CEMENT MANUFACTURERS**

1. INTRODUCTION

The 38th Council Meeting of the ASEAN Federation of Cement Manufacturers (AFCM) was held from November 20 – 21, 2014 in Hanoi, Vietnam. The Meeting was chaired by Dr. Nguyen Quang Cung, President of AFCM and attended by delegates from seven constituent members of AFCM. (Annex 1)

Vietnam National Cement Association (VNCA) hosted the 38th AFCM Council Meeting at the Grand Plaza Hotel, 117 Tran Duy Hung, Cau Giay, Hanoi, Vietnam.

2. ADDRESS BY THE PRESIDENT OF ASEAN FEDERATION OF CEMENT MANUFACTURES (AFCM), CHAIRMAN OF VIETNAM NATIONAL CEMENT ASSOCIATION (VNCA)

Dr. Nguyen Quang Cung, the Chairman of Vietnam National Cement Association welcomed all delegates to the Meeting. (Annex 2)

3. WELCOME AND OPENING ADDRESS OF THE DEPUTY MINISTER OF MINISTRY OF CONSTRUCTION OF VIETNAM

Mr. Nguyen Tran Nam, Deputy Minister of Ministry of Construction of Vietnam delivered a speech to the Council meeting.

4. OPENING STATEMENTS AND INTRODUCTION BY HEADS OF DELEGATION

The Heads of Delegation of each member country association delivered their opening statements and introduced members of their delegates to the Meeting.

5. ADOPTION OF AGENDA

The Meeting unanimously adopted the Agenda. (Annex 3)

6. APPOINTMENT OF DRAFTING COMMITTEE MEMBERS

The Council appointed the following as the Drafting Committee Members for the Council Meeting:

Indonesia:	Ms Ristantin Yulia Sari
Malaysia:	Ms Chua Pack Kee
The Philippines:	Ms Leticia Villacrusis
Singapore:	Mr Darrice Chan
Thailand:	Ms. Rattanun Jirachaiyabhas
Vietnam:	Mr. Nguyen Bien Gioi

Mr. Nguyen Bien Gioi was appointed as the Chairperson of the Drafting Committee.

7. STATUS REPORTS OF THE CEMENT INDUSTRY BY HEADS OF DELEGATION

The Heads of Delegation of each member country Association presented their status reports as follows:

7.1 *BRUNEI DARUSSALAM*

A. *GENERAL ECONOMY*

Brunei Darussalam's GDP growth would reach 1.0 % this year, after contracting 1.8% in 2013 due to the slowdown in the energy sector. The energy sector growth will slump to 0.6% in 2015. Non-energy growth is forecast at 4.8% in 2015.

Brunei remains dependent on oil and gas revenues to keep its economy afloat. A slump in energy revenues in 2013 is due to longer-

than-expected maintenance of hydrocarbon facilities, but the energy sector would rebound as production of hydrocarbons recovers.

Figures released by the Department of Economic Planning and Development Board (JPKE) also pointed to the energy decline, with oil and gas sectors shrinking 10.3% in the first three months of the year. The JPKE recorded an 8.7% slide in the industrial sector due to a slowdown in manufacturing industries, and a 14% drop in the exports of goods and services.

Consumer price inflation was contained at 0.4% in 2013; this was a result of the continued appreciation of the Singapore dollar, to which the Brunei dollar is pegged.

Under the development plan Vision Brunei 2035, the country has put the emphasis on accelerating economic growth to a target average annual rate of 6% by increasing productivity, which it must achieve by becoming less reliant on the oil and gas sectors and to foster the development of other high value-added manufacturing and services sectors.

The government has targeted a number of key sectors such as halal manufacturing, ICT, agro-industrial and the creative technologies.

Brunei has continuously prioritized sectors other than oil and gas especially in the key clusters of food, pharmaceuticals and cosmetics, renewable energy, data centres and disaster recovery centres. The Government has signed the land lease agreement for the establishment of a \$50m carbon steel pipe manufacturing plant by Huludao City Steel Pipe Industrial Co. from China.

South Korean firm DongYang GangChul also plans to build a \$107m aluminium manufacturing plant. Meanwhile Simpor Pharma, a joint investment company between Canadian Viva Pharmaceutical, private equity fund Aureos (Brunei) Capital Sdn Bhd and a group of local investors, has set up a \$26m facility to produce halal pharmaceutical products.

In the run-up to ASEAN Economic Community integration in 2015, Brunei Darussalam is ramping up transport developments, chasing new opportunities and re-establishing past connections. With the potential for a boost in inter-ASEAN travel, Brunei is working to position itself as an intermediary for business and leisure travellers.

With the increased passenger numbers, extensions to the Brunei International Airport are seeing timely completion. The \$150m upgrade process, which is expected to finish later this year, is set to double passenger handling capacity at the airport to 3m and will include new arrival and departure areas, luggage handling facilities and expanded parking.

Developments are ongoing to improve road and maritime transport as well, spurred on by the country's development plan, Vision 2035. The plan focuses on public-private partnerships and foreign investors.

The 2.7-km Pulau Muara Besar Bridge seeks to improve connectivity between the manufacturing centre and the mainland while the Temburong Bridge will connect that island to the rest of the country. The 607-metre Sungai Brunei, being built with the help of South Korea's Daelim Industrial, will bridge Jalan Residency in Bandas and Kg Sungai Kebun in Lumapas. The bridges will better integrate the country's 3030-km road network, with the combined effects of both easing traffic and improving industrial transport to the ports.

The expansion of the main deepwater seaport or the container terminal at Muara is on track to be tendered. The increased capacity will allow for larger container ships, raising the port's cargo handling capacity to more than 100,000 TEUs, of which close to 30% is expected to be trans-shipping traffic.

Port authorities also announced an upcoming tender for a project, saying it would involve an extension of a 150-200-metre container-wharf at the terminal. The extended container terminal will enable both greater storage capacities at the site as well as improved transfer times to and from trucks.

While improved air and sea transport infrastructure will enable the country to remain an essential hub for the region, it will also help Brunei Darussalam to overcome its main challenge, which remains the diversification of its economy from oil and gas exports. Greater connectivity with the region will help the economic expansion process, particularly by encouraging multilateral trade and cooperation, and tourism

B. CEMENT INDUSTRY

B.1. SUPPLY & DEMAND

Cement domestic demand for 2014 is projected to be approximately 361,000t

B.2. CEMENT PRICES

As of 1st October 2014, the average selling price of cement (delivered) is B\$152.00/tonne (@ 1.285 = USD118).

7.2 INDONESIA

General Information

Indonesia General economy 2013 was still maintained in growth, it reached a 5.8% growth with inflation rate around 8.3%, while construction growth reached 7%. It has brought the industry to continue develop in accordance to meet national cement demand. In 2014, Indonesia economy growth rate is estimated to reach 5.3% .

Having two years of previous experience in a high growth rate, in the year 2013 cement demand growth slowed slightly, reaching 5.6% with a total volume of 58 million tons.

Affected by some several government projects are not on scheduled, especially for infrastructure development, as cement demand for the private sector is still very high and contributes to growth significantly, such as property and housing projects.

Nevertheless, Indonesia cement industry was much supported by Government's Program; the Master plan of the acceleration and expansion of Indonesia Economic Development or MP3EI 2011-2025.

The Master-plan or MP3EI is a preliminary step for Indonesia to accelerate and expand economic development in order to support its transformation to a developed country by 2025.

During 2014, national cement demand remain grow even though the growth was not as bright as last year, effected by global economy which was still running slow. Then cement domestic consumption growth is estimated going to be 4%.

This November, new government has raised fossil fuel price to reduce the fuel subsidy in National Budget. Thus in 2015, we optimize that infrastructure

will grow significantly since “the subsidy” will be transferred to more productive activities like development of infrastructure in all around Indonesia. And cement demand growth is estimated reach 5-6%.

Cement Production Capacity

The total capacity from 9 members of Indonesia Cement Association in 2013 reached 60.9 million tons per year, it was contributed by PT Lafarge Cement Indonesia, PT Semen Padang, PT Semen Baturaja, PT Indocement Tungal Prakarsa, PT Holcim Indonesia, PT Semen Gresik, PT Semen Tonasa, PT Semen Bosowa Maros, and PT Semen Kupang.

Due to some expansion programs and new plant built, by the end of this year the total production capacity will be around 68,8 million tons per year.

Production

In 2013, the national clinker production was 44.9 million tons and cement was 57.7 million tons.

This year total production is projected to 45.0 million tons for clinker and 58.0 million tons for cement. Until October 2014, clinker production has reached around 37.8 million tons, whereas cement production has recorded around 48.8 million tons.

Domestic Consumption

During 2013, cement demand was driven by the private property projects, cement domestic demand reached up to 58.0 million tons while previous year 54.9 million tons or 5.6% growth.

Until October of this year, a total of around 48.7 million tons cement was consumed, this figure is 3.3% higher than the same period of 2013.

By the end of this year, domestic consumption growth is projected to around 4%.

Cement Export

While we are talking about export, Indonesia cement export is going to down level, especially due to the strong domestic demand, it was only a total of

575 thousand tons of clinker and cement, with main market to Bangladesh, Sri Lanka and Australia.

Cement Prices

During 2013, the average cement price at major city was Rp. 1,360,000 or equivalent to USD 113.3 per ton for bag (50kg) cement and Rp 1,000,000 or equivalent to USD 86.9 per ton for bulk cement with currency exchange rate of Rp 11,500 per one USD.

Cement Plant Expansion

During 2013-2017 other additional Indonesia cement capacity will be from the new plant of Lafarge Cement, Semen Padang, Semen Baturaja, Semen Gresik, Holcim Indonesia, Indocement Tungal Prakarsa and Semen Bosowa Maros with a total of 22.3 million ton. Then in 2017 the total cement production capacity will reach 81.7 million ton/year.

It is not included additional capacity of Indonesia new cement players, which is expected to reach amount of 10.7 million ton.

7.2.1 Question and Answer (Q&A)

Q1: Indonesia's utilization capacity in 2013 was 95% and 85% in 2014. It appears that Indonesia has excess capacity. It is estimated that there will be only 80% utilization capacity in 2017.

What will Indonesia do with the excess of capacity?

A1: Indonesia's new government will concentrate on infrastructural development that will absorb the excess capacity.

7.3 MALAYSIA

1. General Economy

1.1 The Performance of the Economy in 2013 and Prospect for 2014 (Table G)

The Malaysian economy moderated to 4.7% in 2013 against a 5.6% growth registered in 2012, supported by domestic demand amidst a weak external environment. Buoyant activities in residential, transport, and infrastructure mega projects, continued to contribute to the steady growth of the construction sector, which expanded by 10.9% in 2013 as compared to 18.1% in 2012. Inflation remained modest at 2.1% in 2013.

The Malaysian Government has upgraded its economic growth forecast for 2014 from the initial forecast ranging between 4.5% and 5.5% to between 5.5% and 6% following the encouraging GDP growth of 6.3% recorded in the first six months of 2014. The good economic performance was attributed to projects spearheaded by both the Economic Transformation Programme, and the Government Transformation Programme.

The construction industry continued with a double digit growth of 14.3% during the first half of 2014 that is expected to accelerate further to achieve a full year growth of 12.7%. Growth in the construction sector is spurred by on-going massive capital expenditure projects such as the Light Rail Transit (LRT) and the Mass Rapid Transit (MRT).

Inflation rate is expected to average around 3% to 4% in 2014, as a result of the spill-over effects of the price adjustment on fuel, following the subsidy rationalisation in September 2013 and October 2014, and the electricity tariff hike in January 2014.

2. Cement Industry

2.1. Demand and Supply (Table A and B)

The total Malaysian clinker and cement installed capacities were 20.29 million tons and 32.95 million tons respectively in 2013. The installed capacities are expected to increase to 21.80 million tons for clinker and 35.95 million tons for cement in 2014. The Malaysian cement industry produced a total of 17.07 million tons of clinker and 22.86 million tons of cement in 2013.

Clinker production is projected to grow by 6.06% to 18.11 million tons whilst cement production is forecast to increase marginally by 0.51% to 22.98 million tons in 2014.

2.2. Cement Consumption (Table A and C)

Cement demand grew by 9.96% from 19.15 million tons in 2012 to 21.05 million tons in 2013 and is expected to maintain a modest growth of 5% or 22.11 million tons in 2014.

2.3. Clinker and Cement Export (Table A, C and D)

Clinker exports expanded by 33.58% to 712,000 tons in 2013 against 533,000 tons in 2012. Cement exports dropped by 13.26% from 2.01 million tons in 2012 to 1.75 million tons in 2013.

An estimated 750,000 tons of clinker and 1.83 million tons of cement are expected to be exported in 2014.

2.4. *Clinker and Cement Import (Table A,C and E)*

Clinker importation declined by 12.43% from 2.62 million tons in 2012 to 2.29 million tons in 2013. Cement importation expanded by 10.64% from 827,000 tons in 2012 to 915,000 tons in 2013. For 2014, an estimated 2.4 million tons of clinker and 0.96 million tons of cement are expected to be imported.

2.5. *Cement Prices (Table F& G)*

The Malaysian Government had increased both petrol and diesel prices by 20 sen in October 2014 as part of the rationalisation measure to reduce the current fuel subsidy. The petrol and diesel price hikes are expected to impact cement operating costs in terms of higher transportation and production costs. Based on information from the retail outlets, cement market prices as at June 2014, were in the range of RM14.50 to RM15.50 per bag or USD4.52 to USD4.83 per bag; and RM270 to RM290 or equivalent to USD84 to USD90 per ton for bulk cement.

3. Conclusion

Although the Malaysian economic outlook is envisaged to remain upbeat, there is concern over the deteriorating global environment due to the on-going geopolitical tensions in Eastern Europe and the Middle East, as well as the moderating and softening commodities prices; and the rising cost of living that would have a negative impact on Malaysia's economic growth. Hopefully there will be a steady implementation of sustainable projects, to keep the economy growing until Malaysia achieves its Vision 2020 of a high income nation.

7.3.1 Q&A

Q1: Why does Malaysia have to import and export at the same time?

A1: Malaysia has both integrated as well as grinding plants. Grinding plants have to import clinker and cement when required. Integrated plants export both clinker and cement.

Q2: If there are insufficient plants in Malaysia why don't Malaysian plants increase capacity?

A2: Because of competition law and industry data is obtained from Government sources, there is a possibility the data may be inaccurate.

Q3: Why is Malaysian cement demand slowing down?

A3: The Malaysian Government has introduced monetary tightening measures affecting loan and finance facilities in Malaysia that has dampened the demand for housing in Malaysia.

7.4 PHILIPPINES

The Philippine Economy

The Philippines is an archipelago consisting of 7,107 islands with a total land area of 300,000 square kilometers (115,831 sq mi). The 11 largest islands contain 94% of the total land area. The largest of these islands is Luzon with about 105,000 square kilometers (40,541 sq mi). The next largest island is Mindanao at about 95,000 square kilometers (36,680 sq mi). The archipelago is around 800 kilometers (500 mi) from the Asian mainland and is located between Taiwan and Borneo.

The Philippine economy posted an impressive growth rate of 7.2% in 2013, making it the best performing economy in the Asian Region and second only to China. The Gross Domestic Product (GDP) in the first half of 2014 is 6.4%, lower than the 7.2% in 2013. Despite the slowdown, the Philippines is still one of the top emerging Asian economies in 2014.

In 2013, public construction grew at 21.6 percent compared to 29.8 percent in 2012. Private construction growth is also lower in 2013 at 7.9 percent compared to 11.5 percent in 2012. Over-all construction growth is lower in 2013 at 10.9 percent compared to 15.1 percent in 2012.

In the first half of 2014, public construction decreased by 0.1 percent while private construction increased by 6.4 percent. This shows that while government procedures may have hindered government construction, the private sector's confidence in government is demonstrated by the private construction increase.

The agriculture and industry sectors are expected to be vibrant this year, as the government promotes linkages between the two sectors to increase value addition as a key strategy identified in the Philippine Development Plan midterm update. Major infrastructure projects, especially in the transport sector, are also expected to boost growth this year and beyond.

Philippine Cement Industry Performance

For the 10 years prior to 2013, cement sales increased by an average of 4.6 percent. In 2013, there was a 5.9 percent increase resulting in sales of 19.4 MMT. For the first half of 2014, there was a 5.7 percent increase, compared to the same period of the previous year, which resulted in sales of 10.7 MMT.

The demand of the construction industry is expected to be high this year due to rehabilitation efforts in typhoon-affected provinces and earthquake-hit areas such as Leyte and Bohol. With the expected increase in activities in the construction industry, cement manufacturing companies in the Philippines have expanded their plant operations in order to cope with the global demand in the construction industry.

In the Philippines, the construction sector annual growth rate of 11.1% in 2013 is expected to keep its momentum in 2014 due to public and private sector spending on infrastructure projects. Thus, the 2013 cement demand of 19.4 million metric tons is expected to grow to 20.8 million metric tons in 2014.

For 2014 onwards, many Private-Public Partnership (PPP) projects will be implemented by both the private (business corporations and non-government organizations) and government sectors (such as Department of Public Works and Highways, Department of Transportation and Communications, Department of Health, and Department of Agriculture) that will increase the demand for cement in the Philippines.

CeMAP Accomplishments

CeMAP made several notable achievements in the areas of Consumer Welfare, Policy, Sustainable Development, and Product Standards.

In the area of Consumer Welfare, CeMAP protected consumers against substandard cement imports for 2013 by ensuring that safety guidelines were strictly enforced by the relevant government regulatory agencies.

Also, we worked with the ASEAN Federation of Cement Manufacturers (AFCM) for:

- Recorded agreements with other ASEAN nations to discourage substandard exports.
- No uniform cement standards for all ASEAN countries (even with government pressure on ASEAN integration) to enable each

country's cement producers to address their unique domestic consumer needs; and

- Increased use of alternative fuel resources to protect the consumer and the environment as well as possibly improving financial status of cement manufacturers.

In the area of Policy, CeMAP succeeded in convincing the Executive Branch (such as Department of Environment and Natural Resources, National Economic and Development Authority, Department of Trade and Industry, etc.) and Congress to exempt non-metallic mining (including cement) from proposed tax increases.

In the area of Sustainable Development, CEMAP was the first and only organization out of 38 industry sub-sector associations that qualified for Federation of Philippine Industries (FPI) Sustainable Development Hall of Fame award. This is because in 2013, CeMAP won in the fourth category of Optimum Use of Resources. In 2011 and 2012, CeMAP won in the other three categories of Management of Waste, Health and Safety, and Corporate Social Responsibility. It is the only industry association that has won in all four categories in sustainable development.

Impressed with CeMAP's previous two Vehicle and Traffic Safety Conferences in 2012 and 2013, the Department of Transportation and Communications (DOTC) conducted a Cargo Transport Conference for the whole country in collaboration with the private sector led by CeMAP.

In the area of Product Standards, CeMAP got the Department of Public Works and Highways (DPWH) approval for all cement laboratories to be tested by CeMAP's Proficiency Testing (PT) Program, the only one in the country.

With the challenges that the Philippine cement industry is facing at present, CeMAP is looking forward to meeting the anticipated cement demand in 2014. It will continue to make contributions to industry growth, sustainable development, and improved product quality in 2014.

7.4.1. Q&A

Q1: Are CeMAP members planning to set up integrated plants or grinding plants considering that integrated plants are more polluting than grinding plants?

A1: CeMAP is encouraging putting up integrated plants rather than grinding plants. Incentives given before have been removed.

7.5 SINGAPORE

The Singapore Economy

For the whole of Y2013, the Singapore economy grew by 4.1%. Generally GDP expanded across all sectors except construction sector which moderates to 5.9% from 8.6% in Y2012. The manufacturing sector expanded modestly at 1.7%, services producing industries grew by 5.3%, finance & insurance sector grew by 10.6%, and retail trade sectors grew by 5.0%. The decline in growth by the construction sector is due to the tightening in labour conditions which led to a lack of supply versus demand.

For the rest of the year 2014, the growth outlook for the Singapore economy is expected to improve modestly. Externally- oriented sectors like manufacturing and wholesale trade are likely to recover and provide support to growth, in tandem with the recovery in global demand. Domestically-oriented sectors such as construction and business services are also expected to remain resilient. Despite uncertainties in the global macroeconomic environment, the Singapore Economy is expected to grow by 2.0% to 4.0% in Y2014.

The Singapore dollar in the meantime has weakened from 1.24 Sing Dollar to 1 US dollar in the end of 2013. In 2014, it has weakened further at 1.27 Sing Dollar to 1 US dollar as at June 2014.

On the Construction Sector

Based on the values of contracts awarded, Singapore's total construction demand in Y2013 has reached \$35.8 billion. It exceeds the upper bound of the government demand forecast of \$28-\$34 billion by \$1.8 billion.

The latest revised forecast for Y2014, the government has revised the total construction demand forecast in Y2014 from between \$31-\$38 billion. The upward revision is primarily due to the expansion by the public sector contributing 60% of the industry demand. The boost to the overall demand is likely to come from the stronger institutional and civil engineering construction works.

Total private sector is softening weighed down by anticipated reduction in residential construction demand amid the subdued property market sentiments since the 2nd half of Y2013 as a result of various market cooling measures implemented by the Government.

For Y2015 – Y2016, the average construction demand is projected to range between \$25 billion and \$34 billion Sing Dollars per annum in Y2015 and Y2016.

Bulk Terminal/Grinding Capacity

Currently total cement handling capacity of the existing nine import terminals is 10.5 million tons while the capacity of the only grinding plant is 300,000 metric tons.

The new cement bulk terminals operate by Holcim Singapore and Raffles Cement were already in operation at end 2013. The total handling capacity will further increase to approx. 12 million tons a year when YTL terminal is in full operation. Together with Singapore Cement Manufacturing Company building a new 24,000 metric ton silo and will be operational in 2nd quarter 2015.

The Jurong Port Authority is looking ways to work with cement terminal operators to further smoothen the work flows and to further ease berthing congestions. They are also looking into ways to further upgrade their facilities in order to increase efficiency.

Cement/ Clinker/ Slag Import

In 2013, total 7.03 million metric tons of cement, clinker and slag were imported from Japan, Taiwan, Malaysia, China, and Korea.

Cement Price

The price of cement as at August 2014 is S\$95 (US\$74.80) per metric ton compared to S\$99.80 (US\$80) per metric ton in August 2013.

Conclusion

The total demand for cement products in Y2014 is forecast to reach more than 6 million metric tons. The demand is expected to moderate in Y2015 and Y2016. Despite the likely moderation in construction demand in the years ahead, the contracts awarded in 2013 will translate into strong on-site construction activity at least to year 2016. However, it may be moderated further due to labour tightening regulations.

7.5.1. Q&A

Q1: Can Singapore share its experience on how the cement business is thriving, depending mainly on imports?

A1: Singapore gave credit to the efficiency and effectiveness of their Government, for setting up and maintaining high standards and criteria. In the current competitive environment, Singapore is still able to procure good quality products with the lowest rate within the region.

Q2: Why are cement-grinding plants in Singapore depleting?

A2: Cement grinding cost is high due to the high-energy and labour costs, and having to comply to requirements of the authorities administration, thus the cost of importing of cement will be cheaper compared to producing it inland. After the lease of the last cement grinding plant in Singapore, there might not be continuity due to the discouragement in regards to pollution.

Q3. What is Singapore's storage capacity?

A3: The storage capacity in Singapore is 575,000mt.

7.6 THAILAND

General Economy in 2014

The Thai economy in 2014 is forecasted to grow in the range of 1.5-2 per cent compared with 2.9 per cent growth in 2013. The slower pace of growth was due to the prolonged political instability in the first five months of the year.

In addition, the export sector, the private consumption, the public and private investment together with the industrial sector were all contracted. The followings are related details:

- In the first half of 2014, private consumption expenditure and private investment contracted by 1.4 per cent and 7.2 per cent respectively. Furthermore, the public investment declined by 6.7 per cent. As for export sector, though the export volume increased by 1.2 per cent, its value contracted by 0.2 per cent. The industrial sector also contracted by 2.1 per cent.
- As for the construction sector, it contracted by 7.5 per cent with 7.2 per cent contraction in public sector and 6.5 per cent in private sector.

- It is expected that the economy will improve in the second half of this year from government spending and an improvement in consumer's confidence and business sentiment which will lead to a growth in expenditure and investment.

However, there are many factors that need to be concerned, such as, the constraints on export expansion due to a slow recovery of global economy and the decline in export price and also the delay in tourism recovery and competition among global tourism market which made some tourists changing their destination.

Lastly, the low in investment growth is due to low capacity utilization in the industrial sector.

Despite the aforementioned negative factors that may make the economy in the second half of the year expand lower than its potential, the economic stability remained sound.

Cement Industry

Supply and Demand

As earlier mentioned, the construction sector this year has a minus growth. In the real estate sector, there was a slowdown in new projects in commercial buildings, condominium and townhouse projects. This was a consequence of political uncertainty that caused investors to slow down the investment.

For the cement industry, the production in 2014 was 36.67 million tons, a growth of 2.28 per cent from 2013, while the domestic demand this year is estimated at 29.78 million tons, a minus 1 per cent from last year.

The domestic demand in the first half of this year in Bangkok and metropolitan area still have some growth in residential, commercial and infrastructure. However, the demand in the provincial areas was contracted both in residential and infrastructure sectors.

This slowdown in cement demand due to the political instability since late last year will still be carried on and be bottomed out in the second half of this year.

It is expected that next year, the domestic demand will be improved due to the growth in investment both from government and private sector. Hopefully, the growth of cement demand will be approximately 3-6 per cent.

Export

Total export for 2014 will be 10.45 million tons, of which 6.89 million tons were cement and 3.55 million tons were clinker. Export this year will be a bit more than last year due to low domestic demand.

Domestic Price

Domestic price for bagged cement delivered in June was 2,300 Baht per ton or US\$ 70.57. As for bulk cement, the delivered price was 1,900 Baht per ton or US\$ 58.30.

The exchange rate as of June 2014 was 32.59 Baht per 1 US dollar.

7.6.1. Q&A

Q1: The databank shows that TPI Polene will increase its capacity in 2015, why is this so?

A1: The figure is provided by TPI Polene but TCMA is unable to answer the question due to TPI Polene's absence.

7.7 VIETNAM

General Economy

Vietnam has a total land area of 331,212 square kilometers with coastal length of 3444 km and land borders with China (1281km), Cambodia (1228km) and Laos (2130km).

According to the economic reports of Vietnam, in 2013 Vietnam's GDP growth rate achieved 5.4% and in 2014 it is estimated at 5.8%. Vietnam Government projected that GDP growth rate in 2015 will increase slightly as compared with 2014 to about 6.2%. Although the GDP growth rates of Vietnam in this period are not high as expected, but generally, the total socio-economic development is considered to be relative healthy in comparison with the current common situation of the world. Vietnam Government has been deploying a number of measures and policies to maintain the macroeconomic stability and to ensure the social welfare of the community.

In this year, Vietnam already has successfully fulfilled 13/14 important targets specified by Vietnam National Assembly.

Cement Industry

Overview of the current situation

For 10 years (2005-2014), cement industry has obtained many significant achievements in different targets such as: production capacity, technological level, application of science- technology, types and quality of product and so on.

- Production capacity increased from 23.5MMT (2005) to 81.5MMT (2014) nearly 3.5 times. In this year 2 cement plants with capacity of 3.0 MMT newly started operation. Since 2010 production was enough for domestic demand and a portion for export.
- The data of cement industry in two year 2013 – 2014 are as follows:

Items		Unit	2013	2014
Designed capacity		MMT	73.45	76.45
Production		MMT	58.70	69.00
Domestic demand		MMT	46.05	50.00
Export	cement	MMT	5.33	9.80
	clinker	MMT	6.50	12.50

Vietnam already eliminated all cement plants with vertical shaft kiln and wet process. At present, all cement plants are equipped with advanced modern technology of dry process and NSP systems.

- Cement price and domestic logistics price are stable. The implementation and enforcement of the heavy load truck ban and anti-overloading law on the traffic lines affected the cement price (increase 2-10USD/ton) and brought more difficulty to cement manufacturers, distributors and users.

Outlook for 2015 and the next stage

The world economic and political situation still shows signals of many difficulties for 2015 year. In this scenario, Vietnam National Assembly has approved a Socio – Economic Development Plan for 2015 as follow:

- The overall objectives of the plan are to curb inflation, stabilize the macro economy and maintain the growth rate at a reasonable level (around 6.2%).

- In 2015 the Vietnam cement industry will still remain to have a year of slight production and demand increase. According to the planning decision promulgated by the Prime Minister of Vietnam, the targets for the cement industry are as follows:

Items	Unit	2015	2020
Designed capacity	MMT	80-90	120-130
Domestic demand	MMT	56	93
Export	%	20-30	20-30

VNCA's activities and linkage

VNCA kept closed linkage with the government agencies such as Ministry of Construction, Ministry of Industry and Trade, Vietnam Chamber of Commerce and Industry etc.

VNCA keeps closed linkage with its members. VNCA focuses on the consolidation of production power and consistency of viewpoint for a sustainable development, modern technology, reducing pollution, reusing fuels and materials, building the enterprise culture in the cement industry.

In order to encourage cement plants to built waste heat recovery projects, VNCA proposed Ministry of Finance, World Bank in Vietnam and other Government Agencies to support cement plant with preferential credit loan and policies.

7.7.1. Q&A

Q1: Why is Vietnam's projected capacity slowing down in 2016 and increasing in 2017? Do you expect the capacity to continue increasing?

A1: The government will remove within 2015, wet process cement plants and vertical shaft kilns.

Q2: Why are there different prices in North and South Vietnam?

A2: Most cement plants are located in the North where limestone is found. Transportation charges are incurred to send cement to the South.

8. PROGRESS REPORT BY THE AFCM SECRETARY- GENERAL

Mr. Nguyen Cao Dien, the AFCM Secretary-General presented the following report. This report includes decision made during the Head of Delegates' Meeting.

8.1. AFCM Account

According to the information received from DBS Bank in Singapore as of October 25, 2014 total amount now was USD 352,415 (three fifty two thousand, four hundred and fifteen US Dollars)

AFCM agreed to absorb the registration fee (USD 250) for its members' attendance of AFCM Council Meeting and Technical Symposium with the maximum of 10 persons for each country. This is aimed to encourage more attendances of AFCM members to the Meetings.

In previous meeting in Bangkok 2013, the Head of Delegation Meeting held on November 21, 2013 agreed that AFCM will donate USD 5,000.- to the Philippines for those who suffered from the super typhoon. CeMAP will help coordinating this donation to the Red Cross of the Philippines.

However, so far CeMAP still has not received this donation. So, after this Council meeting, VNCA, CNCAS and CeMAP will cooperate together in completing the transfer of this money from AFCM account to CeMAP.

8.2. AFCM Website and Directory

AFCM Website: www.afcm-org.net

Vietnam, as AFCM Secretariat acted as a webmaster of this website since November 2013. The content in the website, besides the general information of AFCM, there were the news and AFCM directory.

The news that was posted last year was the 23rd AFCM Technical Symposium held in Malaysia. There was no other additional news posted after that.

According the responsibility of webmaster in managing and developing this website Vietnam has been so far updating the website in new domain www.afcm-org.com with main tabs such as Home, About, News, Events, Members, Directory, Documents, AFCM forum, Contact us.

All AFCM members are suggested to trial the new website and give the comment on it in order to make the AFCM website more active and useful.

8.3. Asian Cement Forum (ACF)

The Asian Cement Forum which normally held once a year was postponed since 2011 by China Cement Association (CCA).

After several postponements, China Cement Association cancelled this year Forum. They proposed to hold it in 2015.

AFCM Heads of Delegation agreed that, the communication with CCA will be done individually by each member based on every member's willing.

8.4. Updates of 24th Technical Symposium progress

Date and Venue of AFCM 24th Technical Symposium 24th: the AFCM 24th Technical Symposium will be held in Marriott Hotel, on April 21-24, 2015.

So far, 31/44 booths are booked and 22 papers are selected to present at the conference.

The list of booked booths, name and list of present papers as updated at HOD meeting will be sent to all AFCM members via email.

8.5. Contact with other ASEAN members

Regarding the consideration of connecting with other ASEAN countries such as Myanmar, Cambodia, and Laos and inviting them to join with us as an AFCM observer or AFCM member. AFCM HOD agreed that we do invite these countries as observer in 24th Technical Symposium. Then, the acceptance of these countries as observer or member of AFCM will be finalized.

Note: The invitation of these countries will be done only if they are countries having cement plant.

9. REPORT OF THE STANDING COMMITTEE ON TECHNICAL COOPERATION (SC-TC)

Dr. Ernesto Ordonez, the SC-TC Coordinator presented the highlights of the SC-TC report as follows:

1. The participants discussed the prepared written document specifying each member's experiences and views on the following 10 topics: cement standards, emission standards/green house gases management, cement testing/ laboratory proficiency testing, usage of alternative fuels, waste heat recovery/energy efficiency plans & programs, concrete road campaign, safety and health, training courses/seminars and conferences, other relevant technical developments, and other business.

2. Among the important points raised were the following:

a. The consensus is that strict harmonization is not favored because each country has unique needs that cannot be effectively addressed by a single standard for all.

b. It was suggested that cement testing done for domestically produced

cement could also be done for imported products under the Mutual Recognition Agreement.

c. Waste heat recovery was advocated, and there was great interest in trying to find the most cost-effective systems because of the high investment needed. Thailand was cited for having 90% replacement of electricity purchased from the grid.

d. Ideas were contributed on how to increase the use of concrete for roads. Among them were having more discussions with the appropriate government officials, educating the public and even students on cement advantages, and bringing in world experts to add credibility to this initiative.

e. It was suggested that the ten topics be trimmed down to six or seven so that more in depth discussion can be done. There will be exchanges of information on the topics discussed, as well as invitations extended to other member countries for locally organized seminars when appropriate.

3. There is agreement that there may be a midyear teleconference to maximize the rich store of knowledge and experience among the AFCM that they can each learn from. This midyear teleconference was held last year and proved useful to the participants.

4. The host country will invite technical experts to give presentations for next year's AFCM Council meeting. The SC-TC will invite proposals from members for suggested topics and possible speakers for this initiative.

5. The AFCM 24th Technical Symposium organized by VNCA will be held on April 21-24, 2015 at the Marriott Hotel in Hanoi. The theme is "Upgrading Technology for Sustainable Development".

6. The SC-TC Programme for the next twelve months includes (a) the AFCM Technical Symposium; (b) the identification of the most important 6 topics that the SC-TC should address; (c) the continuing exchange of information, views, and recommendations (including technical seminar invitations extended as appropriate by a member to other member countries); (d) a possible teleconference in between the two annual meetings to discuss current technical issues, and (e) identifying possible technical topics and experts to speak during the next AFCM Council Meeting.

7. The next SC-TC Meeting will be held the day before the next AFCM Council meeting. It will be conducted at 1:30 pm and will be held for a maximum of three (instead of the formerly planned two) hours.

10. REPORT OF THE STANDING COMMITTEE ON BUSINESS DEVELOPMENT (SC-BD)

Mr Darrice Chan, the SC-BD Coordinator presented the following report:

INCREASE CEMENT USAGE

- Joint efforts between Indonesia and its Government such as the promotion of infrastructure development and joint research on cement products create positivity.
- Increase in Government development budget has prospered Philippines Construction industry thus increases demand for cement.
- Malaysia ongoing residential, public transport infrastructure development and construction of construction roads continued to show moderate growth.
- Vietnam is currently looking to export some of their cement due to overcapacity despite moderate growth in construction of annual rate of 5%.
- Singapore is facing issues of manpower shortage and rising costs of production that will moderate growth. Reduction in use of OPC is recommended as Corporate Social Responsibility towards the environment.
- Thailand has projected zero growth for 2014 due to the shift in new political power.

OPPORTUNITIES FOR THE REGION

- Setting up of a framework to promote cement as one of the building materials used for sustainable development by AFCM is suggested by Malaysia for growth within the region.
- Many construction projects are expected to surface in the Philippines in the next 3 years due to increment of government expenditure towards nation building.
- Development of transportation routes in rural areas of Vietnam is being explored.

- Expansion in Singapore Changi Airport infrastructure, and high-speed railway between Singapore and Malaysia is ongoing.
- Infrastructure of accessibility such as roads to support logistics flow in Thailand will be inaugurated in 2015.

CHALLENGES FACED BY THE REGION

- Philippines is feeling challenged due to the increase of electricity / power cost, no subsidy by the government, and high transportation cost for transporting within the archipelago.
- Malaysia is also feeling challenged due to the reduction in government subsidy, raising costs such as transportation, energy generating, and the introduction of GST (Goods & Services Tax) with effect in 2015.
- Manpower shortage in construction, cooling measures introduced by the Singapore government to deflate prices in the property market, and the changes in the loan availability structure has deterred construction growth.
- Vietnam, Thailand and Indonesia are looking for exports to reduce the overcapacity rate due to unmatched demand and supply asymmetric.
- Most countries are also affected by the fluctuations of currencies.
- Both Singapore and Malaysia are facing increase in expenditure, in compliance towards the workplace, safety and health matters.

SHARING BUSINESS EXPERIENCES

- Apart from the need to establish good relationships with the government and the public by all members, Philippines also contributed towards policy making which promotes sustainable development and even won an award for it.
- Indonesia has increased their presence by building more plants where they could bridge the gap between supply and demand where customers could get more timely deliveries.
- Demanding Singapore Customers have led businesses to innovate their service providing apart from the range of quality products.

OTHER ISSUES

- Possible of inferior quality / sub standard cement products imported is a concern for Philippines.
- Possible of pollution due to the dumping of overcapacity cement produced.
- Possibility of a Mutual Recognition Agreement (MRA) was brought up for discussion by Malaysia and supported by Vietnam. However it is hard to implement due to the adoption of different international standards by different countries.

Summary of SC-BD Meeting 20 November 2014 Hanoi, Vietnam

1. SC-BD suggested that countries within the Asean Community could raise a possible discussion topic via email and disseminates it among AFCM members. Those who are interested to take part in the discussion are welcome to take part in the teleconference.
2. SC-BD suggested if there are events taking part in any countries such as “East Asia Road Conference” – will appreciate if invitation is extended to all Asean members and if possible please share materials.
3. SC-BD discussed a point of thought whether if there is a chance to work out a common Asean standard recognized within AFCM members in order to promote strong support among members. No decision is made due to implications of implementation as different country adopt different standard.
4. SC-BD suggested adding an additional point for discussion in the issues of possible discussion. The point to add is “sharing of experience in sustainable development”. It is to promote growth and survival of the industry.
5. SC-BD proposed that future of SC-BD meetings to start at 9am – 12pm (latest) due to the time needed to analyze and interpret the data before asking questions. SC-BD suggested to SC-TC to start from 1.30pm – 4.30pm (latest). This is to promote efficiency and effectiveness.

SC-BD work programme regarding of the AFCM consolidation of Data Bank to be twice a year. March – consolidation until Dec of previous year, and before AFCM meeting to be updated to June rather than August. Deadline of submission is to be enforced.

11. ADOPTION OF SC-TC & SC-BD WORK PROGRAMMES for 2015

The Meeting adopted the Work Programmes for 2015 presented by the respective SC-TC and SC-BD Coordinators.

12. HOST FOR THE AFCM 39th COUNCIL MEETING AND 19TH CONFERENCE

Brunei Darussalam accepted the nomination to host the AFCM 39th Council Meeting and 19th Conference.

13. DATE AND VENUE OF AFCM 39th COUNCIL MEETING

The Meeting agreed that the AFCM 39th Council Meeting and 19th Conference would be held on November 19 – 20, 2015 in Brunei Darussalam.

14. ANY OTHER BUSINESS

No other business was discussed.

15. ADOPTION OF REPORT OF THE PROCEEDINGS

The Meeting unanimously adopted the Report of the Proceedings of the 38th Council Meeting held in Hanoi, Vietnam.

16. CLOSING OF THE AFCM 38th COUNCIL MEETING

The AFCM 38th Council Meeting was officially closed with a vote of thanks to the President, Dr. Nguyen Quang Cung and Secretary General, Mr. Nguyen Cao Dien for successfully chairing and organizing the event, respectively.

17. CLOSING ADDRESS BY AFCM PRESIDENT DR. NGUYEN QUANG CUNG

Dr. Nguyen Quang Cung, President of ASEAN Federation of Cement Manufacturers thanked the delegates and participants and adjourned the meeting (Annex 5).

ANNEXES

ANNEX 1
LIST OF DELEGATES

LIST OF DELEGATES
THE 38th AFCM COUNCIL MEETING
NOVEMBER 20 – 21, 2014
GRAND CENTER POINT HOTEL, 117 TRAN DUY HUNG, CAU GIAY, HANOI,
VIETNAM

LIST OF DELEGATES

Dr Nguyen Quang Cung	President (Vietnam)
Mr. Nguyen Cao Dien	Secretary General (Vietnam)
Mr. Francis Sim	Co-ordinator, SC-BD (Singapore)
Dr Ernesto Ordonez	Co-ordinator, SC-TC (Philippines)

BRUNEI DARUSSALAM

1	Mr Marcelino Ugarte	Chief Delegate
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INDONESIA

1	Widodo Santoso	Chief Delegate
2	Ristantin Yulia Sari	
3	Teuku Renaldi	
4	Rudhy Rianto Setiawan	
5	Eko Budiono	
6	Sari Ramadhani	
7	Amir Zaenudin	
8	Andi Chaerudin	
9	Wahyu Budi Susetyo	
10	Benas Azhari	
11	Imam Hidayat	
12	Rachmaison	
13	Sofwan Bin Abdul Karim	
14	Akhmad Yani Yulianto	

- 15 Mulyanto Broto
- 16 Mukhsin Alwy

MALAYSIA

- 1 Ms Yeoh Soo Keng Chief Delegate
- 2 Mr Bahrul Razha Chuprat
- 3 Mr Wong Vui Leong
- 4 Mr Sumardi Mohd Yusof
- 5 Mrs Grace Okuda
- 6 Ms Chiew Ying Leng
- 7 Ms Chua Pack Kee
- 8 Mr Tan Kok Siang William
- 9 Mr Yeoh Keong Junn (Joshua)
- 10 Mr Tan Check Hong
- 11 Mr Ling Choo Yeun

PHILIPPINES

- 1 Dr Ernesto Ordonez Chief Delegate
- 2 Dr. Leticia Villacrusis (Ms)

SINGAPORE

- 1 Mr Eugene Ho Chief Delegate
- 2 Mr Francis Sim
- 3 Mr William Wu Kwong Fei
- 4 Mr Sou Kee Yon
- 5 Mr Lee Chee Keong
- 6 Mr Darrice Chan
- 7 Mr Alan Tan

- 8 Mr Soh Puay Wee
- 9 Mr Logendran Doraipandian
- 10 Ms Poon Pooay Huang

THAILAND

- 1 Ms. Somthida Piyapana Chief Delegate
- 2 Mr. Chanwut Limpichai
- 3 Ms. Alisa Chongwattana
- 4 Mr. Yongyos Pholtanawat
- 5 Ms. Supitcha Mokkaraphad
- 6 Ms. Pattarakamol Lertsanti
- 7 Ms. Rattanun Jirachaiyabhas
- 8 Mr. Chomkiet Hankunaseth
- 9 Ms. Supakorn Satchaichan
- 10 Ms. Pham My Que

VIETNAM

- 1 Dr Nguyen Quang Cung Chief Delegate
- 2 Mr Nguyen Cao Dien
- 3 Mr Nguyen Hoan Cau
- 4 Mr. Nguyen Quang Dung
- 5 Ms Le Thi Dung
- 6 Mr Nguyen Bien Gioi
- 7 Ms Nguyen Thi Hoa
- 8 Mr Tran Viet Thang
- 9 Mr Dinh Quang Dung
- 10 Mr Nguyen Anh Quan
- 11 Ms Nguyen Thi Kim Thanh
- 12 Mr Nguyen Tran Nam
- 13 Mr Tong Van Nga

- 14 Dr Luong Duc Long
 - 15 Dr Luu Thi Hong
 - 16 Mr Nguyen Ngoc Than
 - 17 Mr Liu Chang I
 - 18 Mr Nguyen Van Thanh
 - 19 Mr Nguyen Cong Ly
- And more delegates

ANNEX 2

ADDRESS

BY THE

**PRESIDENT OF ASEAN FEDERATION OF CEMENT
MANUFACTURES (AFCM), CHAIRMAN OF VIETNAM
NATIONAL CEMENT ASSOCIATION (VNCA)**

Welcome ad Opening Address By
AFCM President, VNCA Chairman
The 38th AFCM Council Meeting
Hanoi, Vietnam
November 21, 2014

Excellency **Mr. Nguyen Tran Nam** Deputy Minister of Vietnam Ministry of Construction
Distinguished Delegates
Ladies and Gentlemen,

It gives me great pleasure indeed on behalf of AFCM, VNCA and host country Vietnam to welcome you all to the 38th Council Meeting.

Vietnam National Cement Association is proud to be the host of the AFCM Council Meeting for 3 times. First time in Hochiminh city, the second in Hanoi 7 years ago and today we are together here and I understand that all Vietnam cement manufacturers are happy to contribute to the success of these AFCM events. Especially we highly appreciate the sponsorship of Vicem and Cong Thanh group of this 38 Council Meeting.

Let me start with a look back on a year since the Council met in Bangkok, Thailand, we have seen an increasingly-stable cement market, which is a reflection of the gradual recovery in the world economy. ASEAN economic records a good development.

Regional cement industry is facing many challenges such as overcapacity in most AFCM countries, increase of production cost due to rising fuel and transportation cost and removal of subsidies and so on.

Moreover, this past year also saw many natural disasters around the world. The landfall of super typhoon Haiyan in the Philippines causes of more than 6300 people deaths and thousands of damages. Beside a lot of typhoons, other catastrophes caused by such as Earthquake in China, big hurricane in America and Ebola disease in Africa have killed thousands of people around the world. This again urges all of us for a higher effort in environmental protection, especially in the cement industry as a heavy industry producing a large amount of Carbon dioxide (CO₂) emission into the environment.

Another issue that I would like you to discuss in this meeting as mentioned in previous meeting in Bangkok relates to the formation of Asean Economic Community with a goal of regional economic integration by 2015. Regarding this, any of your suggestion that is beneficial to cement industry will be highly appreciated.

I hope you could also discuss measures to expand exchanges and cooperation with other members of the ACF to seek new opportunities for cooperation in cement investment, production and consumption.

Finally, I would like you to exchange and to share the solutions to enhancing the role of AFCM and each constituent Cement Association in the relationship with the Government and with its members in orientation to increase development of cement industry.

Obviously, our goal of this meeting is finding the solution for the issues of sustainable development of cement industry among AFCM members and I am aware that it is significant challenges, but I am confident that you will succeed in your objectives.

I wish you a very pleasant stay here in Hanoi, and a successful meeting.

We would like to thank Mr. Deputy Minister; he has managed to attend the conference.

Thank you all and enjoy the meeting.

ANNEX 3 AGENDA

AGENDA
AFCM 38th COUNCIL MEETING
20 November - 22 November 2014
Grand Plaza, Hanoi hotel

DAY	HOURS	AGENDA
Day 1 (Thu)	20 November, 2014	
	0900-1600	Registration (3rd floor)
	1000-1200	SC-BD Meeting (SAPPHIRE I - 3rd floor)
	1400-1600	SC-TC Meeting (SAPPHIRE I - 3rd floor)
	17h00-1830	Heads of Delegation & AFCM Officials Meeting (Meeting room 3 -5th floor)
	1900 -2130	Welcome Dinner sponsored by Cong Thanh Group (Athene 1 -29th floor)
Day 2 (Fri)	21 November, 2014	
		MILLENNIUM section 1 -2nd floor
	0800-0900	Registration - Continue (MILLENNIUM section 1 -2nd floor)
	0900-1030	Opening Ceremony of the 38th Council Meeting - Opening address by President of AFCM cum President of the host country Dr Nguyen Quang Cung. - Welcome address/Opening by Guest of Honour Mr Nguyen Tran Nam - Deputy Minister of Construction.
		Group Photograph & Coffee Break
	1030-1200	The 38th Council Meeting - Opening Statements & Introduction by Heads of Delegation - Adoption of Agenda - Appointment of Drafting Committee Members - Status Reports on Cement Industry by Heads of Delegation
	1200-1300	Lunch Break
	1330-1430	The 38th Council Meeting (Continue) - Progress Report by the AFCM Secretary General - Report of Standing Committee on Technical Cooperation - Report of Standing Committee on Business Development - Adoption of SC-TC and SC-BD Work Program for 2015/2016 - Date & Venue of AFCM 39th Council Meeting & 19th Conference

- Any other business
- 1430-1500 Coffee Break
- 1500-1630 Presentations of technical experts Dr Luong Duc Long and Dr Luu Thi Hong from Viet Nam Institute for Building Materials with title "Quality management and research of technology science for Portland cement in Vietnam"
- Drafting Committee Meeting - as for Drafting Committee only (Meeting room 2, 5th floor)
- 1630-1730 Council Meeting Resumes
 - Approval of Draft Minutes
 - Closing of Council Meeting
- 19.00-21.00 Farewell Dinner with Entertainment (Crystal room -2nd floor) - **sponsored by VICEM**

Day 3 22 November, 2014
(Sat)

- 6.00-15h30 Trang An Tour for Delegates (half day)

ANNEX 4

AFCM FOREIGN CURRENCY FIXED DEPOSIT ACCOUNT IN DBS, SINGAPORE



1

Page 1 of 2

ASEAN FEDERATION OF CEMENT MANUFACTURERS
3 INTERNATIONAL BUSINESS PARK
#01-14 NORDIC EUROPEAN CENTRE
SINGAPORE 609927



ACCOUNT NO.:0001-000322-3-031

(A) FOREIGN CURRENCY FIXED DEPOSITS AS AT 25 OCT 2014

Dep/Txn Number	Period Days/Base	Principal Int Rate (p.a.)	Int Amt	Remarks
CURRENCY: UNITED STATES DOLLAR				
12021480-005	29/08/2014 - 27/02/2015 182/360	10,045.02 0.070000	3.55	
12021481-004	22/10/2014 - 22/04/2015 182/360	83,135.43 0.190000	79.86	
14021483	28/02/2014 - 27/02/2015 364/360	259,235.10 0.280000	733.92	
Total Principal in USD		352,415.55		
Indicative in SGD @ 1.2665000000		446,334.29		

No structured deposits / other investments outstanding as at 25/10/2014

(B) TRANSACTIONS DONE FROM 19 OCT 2014 TO 25 OCT 2014

Txn Date	Dep/Txn Number	Period Days/Base	Principal Int Rate (p.a.)	Transaction Amount	Remarks
CURRENCY: UNITED STATES DOLLAR					
21/10/2014	12021481-003	22/04/2014 - 22/10/2014 183/360	83,042.56 0.220000	83,135.43	ROLLOVER NEW DEP NO: 12021481-004

Messages For You:

- For account enquiries, please call 1800-111 1111
For Corporate account enquiries, please call us at 1800 222 2200

CONTINUE ON REVERSE OR NEXT PAGE

ANNEX 5

CLOSING ADDRESS BY AFCM PRESIDENT

**Closing Address by
AFCM President
The 38th AFCM Council Meeting
Hanoi, Vietnam
November 21, 2014**

Distinguished, Mr. Vice-President, and Mr. Secretary-General of AFCM
Distinguished Delegates
Ladies and Gentlemen

Two days is not a long time, but I saw we have managed to do many important things. We exchanged and shared the experiences and solutions for the challenges in region and in each country. We finalized the common idea in inviting other countries in ASEAN to join with us in AFCM. We successfully articulated the Report of Proceedings of our Council meeting and defined the date and venue of the 39th council meeting and 19th conference.

For us, we see this conference not only as an opportunity to exchange and share the information and experience in cement production and business but also a good chance to tie the relationship between associations, between the countries and between herein people in making the AFCM a pioneer in cement federations; and I think we have got it.

After this meeting, I hope you can successfully bring our shared experiences and solutions to your work and get the practical results; it is the final purpose of our meeting.

I would like to thank Mr. Secretary General of AFCM who devotes many efforts to organizing these meetings, also thank to the AFCM coordinator of SC-BD, coordinator of SC-TC and Drafting committee, thank the VNCA team, young and enthusiastic people, who have been working very hard for the success of this conference, thank all AFCM members who have always been being ready to help us in preparing and organizing this important conference.

Also, I would like to thank the sponsorship of Vicem and CongThanh Group contributing to the successful meeting.

Last but not least, I would like to thank you for your presence here in Hanoi, for your work, your patience and your help, without which it would not have been possible for this Conference to be the success that we all recognize.

I express to thank to the Grand Plaza Hanoi Hotel placing this meeting.

Ladies and Gentlemen

I wish you a safe return and for those of you who are going to join in our tomorrow tour - a very pleasant and excited trip.

Thank you very much and good bye.