



CACCI President Samir Modi Leads Delegation to Tokyo



CACCI President Mr. Samir Modi led a 21-member delegation to Japan for a two-day Presidential visit from July 22 to July 23, 2019. The delegation was composed of chamber representatives from five CACCI member chambers – four from Bangladesh, two from Hong Kong, three from India, one from Japan, five from Pakistan, three from Taiwan – as well as three officers of the CACCI Secretariat.

Hosted and organized by the Japan Chamber of Commerce and Industry (JCCI), the two-day program included a meeting with the officers of the JCCI; a visit to the Ministry of Economy, Trade and Industry (METI); and a courtesy call on the Indian Ambassador to Japan. Visits to several places of interest in Tokyo were also arranged by JCCI for the delegates.

The Japan trip was the second Presidential visit that Mr. Modi undertook since he was elected as CACCI President in November 2018. He made his first Presidential visit to Wellington, New Zealand on May 7-8, 2019.



Meeting with JCCI officers

The CACCI delegation's first program was a meeting with key officers of Japan Chamber of Commerce and Industry at the new headquarters of the Chamber. The visitors were warmly received by JCCI Chairman and Nippon Steel Corporation Honorary Chairman Mr. Akio Mimura, and JCCI Advisor and Former Chairman of Marubeni Corporation and concurrently CACCI Vice President Mr. Teruo Asada.

Joining Chairman Mimura and Mr. Asada from the JCCI side were Mr. Hidefumi Kobayashi, General Manager, International Division; Mr. Takashi Matsukawa, Senior Project Manager, International Division; Mr. Kazuo Nishitani, Project General Manager, International Division; and Mr. Kazuto Sasaki, Project General Manager, International Division.

Chairman Mimura thanked Mr. Modi and his delegation for visiting the JCCI, and expressed his appreciation to CACCI for its important role in economic development in the region by

In this Issue:

- CACCI Submits Statement on Rules of Origin to Ministers Responsible for RCEP 6
- Fintelekt to Host Webinar on Trade-based Money Laundering for CACCI Members 6
- Ceylon Chamber of Commerce Welcomes CACCI Members to Join "Sri Lanka Investment & Business Conclave 2019" 7
- CACCI Members invited to "2019 Taiwan Business Alliance Conference" 7

- Product and Service Councils 7
- Investment & Joint Ventures in the Region 9
- Economic Cooperation News 10
- Fairs & Exhibits in Asia-Pacific 12
- Technology 13
- Policy Updates 14



encouraging cooperation among entrepreneurs and businessmen in CACCI member countries and establishing business networking and training of the business community. He assured the visitors of JCCI's continued support to CACCI and its members in their efforts to extend their business ventures and take full advantage of business opportunities available not only in Japan but in the Asia-Pacific region as well.

Chairman Mimura made a brief introduction on JCCI and its activities, informing the delegation of the following, among others:

- The JCCI is the largest among the three major business associations in Japan, the other two being the Japan Business Federation (Keidanren) and the Japan Association of Corporate Executives)
- The JCCI is a network of comprehensive local economic organizations (some 515 local CCIs) made up of the representatives of some 1.25 million member businesses nationwide, including large and medium-sized corporations down to small firms and sole proprietors.
- JCCI represents the local chambers by presenting their suggestions to the government and other bodies, and helping implement them. JCCI also plays an important role in the dissemination of information concerning government policies and programs, and the promotion of nationwide projects.
- JCCI holds regular bilateral and multilateral economic conferences to further promote understanding and economic exchange between Japan and other countries, and we facilitate face-to-face meetings among business leaders from around the world. In addition to providing information on trade inquiries from abroad and introducing Japanese firms to foreign countries, JCCI dispatches staff to Japanese CCIs in Asia and elsewhere around the world and provide support to Japanese firms operating in those regions.
- Working with the 515 local CCIs nationwide, JCCI submits policy recommendations to the government, political parties, and concerned agencies and organizations and lobby for public policies incorporating those ideas.
- JCCI provides assistance for small-business human-resource and skills development, while at the same time seeking out and assisting dynamic and innovative small-business executives through its support for startups and management

innovation, including efforts to bring smaller businesses into the information age.

For his part, JCCI Special Advisor and CACCI Vice President Mr. Asada informed the delegates the following:

- As former Chairman of the general trading company "Marubeni Corporation", he is engaged in discussing issues for member companies to expand overseas in JCCI and chairs the bilateral economic committees to promote private economic exchange with Asian countries such as the Japan-Pakistan Business Co-operation Committee, the Japan-Bangladesh Committee for Commercial and Economic Co-operation and the Japan-Philippines Economic Cooperation Committee.
- As Japan's market is shrinking due to low birthrate and aging, the Japan Chamber of Commerce and Industry is contributing to infrastructure development and industry development in each country through such committee's activities, thus supporting the overseas expansion of member companies.
- He sees the interest of Japanese small and medium-sized enterprises (SMEs) into the Asia-Pacific region, where population growth and market expansion are remarkable, to be increasing in recent years.
- He observed that with regard to consultations on overseas developments for local chambers of commerce and industry, the largest number is related to business in China, Southeast Asia, and Southwest Asia.
- With the globalization of companies and progress of IT conversion, cross-regional businesses are increasing. For that reason, he said that the JCCI would like to work more closely with CACCI, which has been actively developing business since covering its global growth center since its establishment in 1966.

In response, Mr. Modi thanked Chairman Mimura and JCCI for receiving the CACCI delegation and for the Chamber's continued strong support of CACCI and its activities since it was established in 1966.

Mr. Modi mentioned that JCCI has always played an active role in the Confederation, noting that since 1966 when CACCI was established, the Chamber – which was one of the founding members – has hosted a total of 11 CACCI Council Meetings and Conferences, including five times in Tokyo, twice in Osaka, and one each in Nagoya, Kobe, Fukuoka and Yokohama. He thanked JCCI for consistently sending representatives to the annual CACCI Conferences, as well as to the CACCI Planning Committee meetings held in preparation for the Conferences.

He expressed his hopes that JCCI, as one of the founding members of CACCI, will remain actively involved in the Confederation, given the important role that the country's economy and business sector play in the development of the Asia-Pacific region.



In particular, Mr. Modi: (a) encouraged JCCI to take an active role in CACCI Product and Service Councils, particularly in the Young Entrepreneurs Group in Asia and the Pacific (YEGAP) through the continued participation of the Japan Young Entrepreneurs Group (Japan YEG), which in the past brought a big delegation to attend the CACCI Conferences and organized special activities during the event; (b) invited Japan YEG to participate in the 4th ASEAN Young Entrepreneurs Carnival to be held in Bangkok in November; and (c) invited JCCI to participate in future CACCI Presidential visits – such as the one to the Philippines scheduled to take place on October 13-14, to be hosted by the Philippine Chamber of Commerce and Industry at the same time as the Philippine Business Conference and Expo.

Lastly, Mr. Modi expressed his hopes that JCCI could host another CACCI Conference in the near future, given that the last Conference hosted by the Chamber was held 10 years ago in 2009 in Yokohama.

During the Q&A session, Engr. Daroo Khan, President of FPCCI and Mr. Salaudinn Yousuf from FBCCI took the opportunity to introduce their respective chambers and their activities, and called for more collaboration between and among their members.

Visit to the Yokohama Cup Noodle Museum

The CACCI delegation visited the Nissin Cup Noodle Museum in Yokohama. Through the museum's many exhibits, one can learn about the creative thinking of Momofuku Ando, the founder of Nissin Food Products and inventor of Chicken Ramen, the world's first instant ramen that revolutionized eating customs all over the world.



Visit to the Mitsubishi Minatomirai Industrial Museum

From the Yokohama Cup Noodle Museum, the CACCI visitors proceeded to The Mitsubishi Minatomirai Industrial Museum. During their tour of the Museum, the delegates learned that the Museum was established by Mitsubishi Heavy Industries,

Ltd. in June 1994 to give visitors – especially youngsters - the opportunity to expand their dreams as they move into the future by experiencing science and technology. Visitors can learn about science by trying their hand at various fun, interactive science-based tasks and games, learn about the environment and the technology designed to make use of it from interactive displays, and get exposed to current and future advances they can rarely see in daily life.



Dinner Hosted by Japan CCI

The CACCI delegation took the bus back to Tokyo for the dinner hosted by Mr. Teruo Asada at Tokyo Kaikan. In his brief remarks before the start of the dinner, Mr. Asada noted that the CACCI delegation visited the Cup Noodles Museum in Yokohama where they saw Japanese food processing technology, and also visited the Mitsubishi Minatomirai Industrial Museum to view the cutting-edge Japanese science and technology today. He pointed out that both are examples of the precise and refined technology which are very differentiated and competitive in the world. He said that cup noodles are an instant food that was born in Japan and are now quite popular in the world. And cutting-edge science and technology, such as aircraft, deep sea submersible research vessels and artificial satellites that the delegation viewed at the Mitsubishi Minatomirai Industrial Museum is helping to develop the sky, sea, and space, and added that further development is expected in the future.



Mr. Asada said that there are many large companies in Japan that are having such precise and refined technology – such as the two facilities visited earlier by the delegation. However, he noted that in fact, there are also 3.8 million small and medium-sized enterprises (SMEs) across Japan and they have full of original and outstanding technologies that are quite attractive, creative and competitive.

However, Mr. Asada added that despite having very advanced technologies, in recent years the number of SMEs are either losing business or being forced out of business is

increasing due to the low birthrate and aging population, the lack of successors and shortage of workforce all over Japan. As a countermeasure, the JCCI will support our member companies by requesting government action and holding seminars on how to deal with this situation. In addition, the JCCI is also focusing its support to member companies on overseas expansion. In this regard, the Chamber is actively promoting private-sector economic exchanges, asking the local governments to improve the investment climate, and holding seminars to understand local environments (in each country) in the Asia-Pacific region that are covered by the CACCI.

Mr. Asada expressed his hopes that the dinner he was hosting would serve as another occasion for guests to actively exchange ideas and opinions about what kind of collaboration are most essential in the future with the CACCI, as well as discuss the economic conditions and investment climate in countries at the Asia-Pacific region, while strengthening friendship through such process.

In response, Mr. Modi conveyed his deep gratitude to Mr. Asada for hosting dinner for the CACCI delegation. He reiterated his thanks and appreciation to JCCI, its officers and members for its continued strong support of CACCI and its activities, and called on both sides to continue exploring areas of possible cooperation and collaboration, with the aim of contributing to the further economic growth and development of individual Asian countries and of the region as a whole.



Attended by 12 invited guests that included key officers of several Japanese companies as well as five officers from the JCCI Secretariat, the dinner provided the CACCI visitors and the JCCI hosts and guests the opportunity for further strengthening of relationships both on a personal and professional level.



Meeting with Officials of the Ministry of Economy, Trade and Industry (METI)

On July 23, the delegation - accompanied by JCCI officers led by Kazuo Nishitani – visited the Ministry of Economy, Trade



and Industry (METI) where they were welcomed by key METI officials that included Mr. Haruhisa Somaya, Deputy Director-General for Trade Policy; Mr. Yasujiro Miyake, Director (South Asia), Trade Policy Bureau; and Mr. Takayuki Kanai, Deputy Director, Investment Facilitation Division, Trade and Economic Cooperation Bureau.

Mr. Somaya expressed his deep appreciation to the CACCI delegation for visiting METI as part of its Tokyo visit itinerary, and expressed his hopes that the visit would set a precedent for more frequent trips to Japan by businessmen from CACCI member countries in the future.

Mr. Somaya took the opportunity to briefly introduce METI and its major functions. From his presentation, the CACCI delegation learned, among others, that METI was created by the 2001 Central Government Reform when the Ministry of International Trade and Industry merged with agencies from other ministries related to economic activities, such as the Economic Planning Agency; and that METI has jurisdiction over a broad policy area, containing Japan's industrial/trade policies, energy security, and control of arms exports, among others.

Mr. Somaya proceeded to share with the CACCI visitors the following: These problems currently face by Japan include ageing population, decline in working age population, the increasing importance of emerging markets, growing protectionism among many economies, the US-China Trade friction, environmental changes and fluctuations, changes in international order brought about by the decoupling of value chains.

To help counter the negative impact of these developments on the Japanese economy, Japan has been taking the lead in international trade coordination through, for instance, the CPTPP following the US withdrawal from the Agreement; improvement of productivity; entering emerging economies; participate in the infrastructure development in other countries through exporting of infrastructure and operating systems; and get involved in third country collaboration such as, for example, partnering with India in entering the African market.

Japan has also been encouraging inward foreign direct investments in all industry sectors. In addition, the government is engaging in projects aimed at revitalizing urban areas, as well as creating a more friendly business environment through the simplification of investment procedures and requirements.

METI believes that organizations such as CACCI, its members and other corporations in Asia can help and cooperate with Japan in achieving its economic development objectives.

METI points the Japan External Trade Organization (JETRO) as the appropriate body that can also provide assistance to CACCI members in identifying business opportunities in

Japan and in looking for possible business partners. JETRO is a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world.

For his part, Mr. Modi thanked Mr. Somaya and the Ministry for receiving the CACCI delegation and for making the necessary arrangements for the visit. He also expressed his appreciation to the Japanese government for its support of CACCI and its activities through the strong and active cooperation of Japan CCI. Mr. Modi cited the important role that Japan – through the JCCI - has always played in the Confederation.



Mr. Modi expressed his hopes that Japan – through JCCI - will remain actively involved in the Confederation. He said that considering the geographical scope of its 28-country membership, CACCI provides a good platform for the Japanese business community to reach out into the regional market, and for the Japanese government to promote its trade and investment policies for the region.

Mr. Modi mentioned that his own company – the Modi Group – has done business with Japan for the past 35 years or so, adding that over the past five years, the group has sent 250 people from India to Japan to learn from the practices and experience of Japanese companies. He said that he is excited about what Japan can offer in terms of its technology, food processing, and other new business concepts (particularly those applying AI and robotics). He stated that he will encourage CACCI members to contact JETRO to obtain and provide more information about the investment and business opportunities not only in Japan but in their respective countries as well. He added that he will promote further collaboration between Japanese companies and the Modi Group companies.

Meeting with the Indian Ambassador to Japan



The CACCI visitors then proceeded to the Indian Embassy in Japan to meet with the Indian Ambassador to Japan H. E. Sanjay Kumar Verma along with his colleague First Secretary

(Economic) Mr. Bhagirathi Behera.

The discussion between the two sides focused on the current state of economic relationships between Japan and India, highlighting some of the areas and activities in which Indian businessmen are engaged in Japan. Among others, the CACCI visitors were informed that the two-way trade between Japan and India has been growing, with about US\$13 Billion worth of imports from Japan to India and US\$5 Billion worth of exports to India.

Exports from Japan consist mainly of fish, petroleum products, shrimps, textiles and machinery. In addition, Japan is the largest investor in India, with the Japanese investments going largely to large industries and software-based services sector. There are currently 441 Japanese companies in India, with a total of 5,200 offices all over the country. These are mainly SMEs engaged in automotive and storage facilities. Indian foreign direct investments to Japan total close to US\$1 Billion, mainly in software industry. Business opportunities between the two countries lie in smart technologies, health care (wellness), logistics, and infrastructure.

Visit to Asakusa

The CACCI delegation visited Asakusa, a district in Taito, Tokyo and the center of Tokyo's shitamachi (literally “low city”), one of Tokyo's districts, where an atmosphere of the Tokyo of past decades survives.



Asakusa's main attraction is Sensoji, a very popular Buddhist temple built in the 7th century dedicated to the bodhisattva Kannon (a bodhisattva is any person who is on the path towards Buddhahood). With so many religious establishments, there are frequent matsuri (Shinto festivals) in Asakusa, as each temple or shrine hosts at least one matsuri a year, if not every season.

Sumida River Cruise

From Asakusa, the delegation took the Sumida River Cruise. The Sumida River is one of Tokyo's main rivers, and the most familiar Tokyo river to visitors. It starts directly north of Tokyo, then out eastward through eastern Tokyo. The sightseeing highlights of the Sumida River are the Tokyo Skytree and the many bridges that span the Sumida.

CACCI submits Statement on Rules of Origin to Ministers Responsible for RCEP

The Confederation of Asia Pacific Chambers of Commerce and Industry (CACCI) has recently submitted to the Ministers responsible for the Regional Comprehensive Economic Partnership (RCEP) Agreement the “CACCI Statement on Rules on Rules of Origin in Preferential Trade Agreements”.

In his transmittal letter to the Ministers concerned, CACCI President said that CACCI represents the collective voice of chambers of commerce covering 28 countries in Asia-Pacific, and that the submission of the CACCI Statement was being made in the context of the negotiation of the RCEP Agreement “which we hope will soon be finalised and ratified as it will significantly benefit all nations covered by the Agreement and we also hope will recognise and support the supply chains to trading partners.” The RCEP is a proposed FTA between ten member countries of the ASEAN and the six Indo-Pacific states with which ASEAN has existing trade agreements namely, China, Japan, South Korea, India, Australia, and New Zealand. RCEP negotiations were formally launched in November 2012 at the ASEAN Summit in Cambodia



Mr. Modi wrote to the Ministers that “To this end, we wish to inform you of the considered position of CACCI members in respect to trade facilitative rules of origin and procedures for making origin statements. CACCI members support the inclusion of Certified Origin statements issued by official authorised bodies, such as chambers of commerce and industry, as this system is a globally recognised and standardised system that facilitates trade as well as providing protection to importers who are the parties needing to claim preference and satisfy the importing nation requirements.”

In the CACCI Statement, which was issued by the Confederation at the 29th CACCI Conference held in October 2015 in Hong Kong, CACCI called on governments party to bilateral and regional PTA negotiations must instruct their negotiators to ensure that their regional and bilateral agreements harmonise Rules of Origin by following wherever possible the provisions and procedures of the Revised Kyoto Convention (2006), and embracing the principles of harmonisation contained in the WTO Trade Facilitation Agreement (2013).

Fintelekt to Host Webinar on Trade-based Money Laundering for CACCI members

Fintelekt

Fintelekt Advisory Services, in association with the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) will host a webinar on “Trade-based Money Laundering and Sanctions Risk for Corporates” for CACCI members on September 18, 2019.

The proposed webinar will be of 90-minutes duration and will cover the following topics:

- Sanctions – latest trends and good practices in screening
25-minute presentation on understanding the most recent global geopolitical developments, underlying consequences and recent trends in enforcement action. The session will also cover good practices in what and how often to screen
- Trade-based money laundering – challenges and inherent risks
25-minute presentation on the latest typologies used to launder money using the trade route, use of methods such as shell companies and tax havens, how can companies safeguard themselves against the risk of TBML

- Enhanced due diligence to understand complex ownership structures
25-minute presentation on the strategic use of data to manoeuvre through complicated ownership patterns, especially among intermediaries and supply chain partners

- Audience Question and Answer session
15 minutes

Fintelekt Advisory Services (www.fintelekt.com) is a Pune-based specialist in research, training and advisory on Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) in Asia. It produces industry research, fosters dialogue and creates opportunities for knowledge sharing between senior executives from banking, financial services and insurance.

The CACCI Secretariat, through the Asian Bankers Association (ABA) – one of the Product and Service Councils of CACCI – has been working with Fintelekt over the past year through several webinars and short-term visiting program it conducted for ABA members (mainly commercial banks) on AML and CFT.

Email the CACCI Secretariat at cacci@cacci.biz for more information.

Ceylon Chamber of Commerce Welcomes CACCI Members to Join “Sri Lanka Investment & Business Conclave 2019”



The Ceylon Chamber of Commerce (CCC) is extending its invitation to CACCI members to attend the “Sri Lanka Investment & Business Conclave 2019” which will be held on September 16-17, 2019 in Colombo, Sri Lanka.

Focusing on bringing potential investors including business partners to Sri Lanka, the two-day event serves as a strategic platform to connect SMEs globally and support them in meeting potential partners and financiers not only from Sri Lanka but also from other parts of the world. A special zone at Conclave 2019 venue will be devoted to SMEs to network, meet and explore opportunities of collaboration and partnership.

In addition, it offers the perfect blend of opportunities aimed at enriching institutional, corporate and individual investors and business houses with a comprehensive set of guidelines for their investment decisions, and act as a networking opportunity for introductions to potential business partners with a view to establish partnerships in Sri Lanka.

For more details on the event, please visit the official website at: <http://invest-srilanka.lk/conclave/>.

CACCI Members invited to “2019 Taiwan Business Alliance Conference”

CACCI members are invited to attend the 2019 Taiwan Business Alliance Conference to be held on October 7, 2019 in Taipei, Taiwan.

Carrying the theme of “Secure and Trustworthy,” the one-day event serves as a platform for showcasing the achievements of international corporations operating in Taiwan as well as Taiwan’s investment potential. The Conference will focus on emerging business areas such as 5G mobile telecommunications, the Internet of Things (IoT), artificial intelligence (AI), Big Data, electric vehicles, and self-driving cars. Senior managers of transnational corporations operating



in Taiwan have been invited to participate in the Conference, and will provide in-depth analysis of industry trends and the opportunities associated with investing in Taiwan.

By attending the Conference, participants will have the opportunity to learn about new cutting-edge technology applications and changing patterns in global business.

For more details on the event and on-line registration, interested parties are encouraged to visit the official website at: <http://2019tba.cier.edu.tw/index.aspx?lang=en>

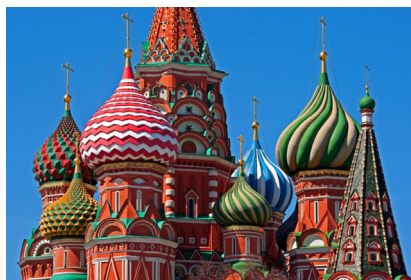
Product & Service Councils

Asian Council on Tourism

Japanese Visitors to Russian Far East Surge as Electronic Visa Program Eases Entry

The number of Japanese visitors to the Russian Far East, including Vladivostok, is surging two years after Moscow introduced an electronic visa system for trips to the region.

The annual number of Japanese visitors to the Primorsky Krai coastal region



in Russia’s Far East surpassed 20,000 for the first time last year. The figure, which was below 10,000 before the introduction

of the electronic visa system, is forecast to double this year.

The administration of Russian President Vladimir Putin has been expanding the coverage of the electronic visa system in stages.

The move is apparently intended to attract businesspeople and tourists to improve the Russian economy, which has been hurt by Western sanctions imposed over the 2014 Ukraine crisis, as well as change Russia’s image of being a closed country.

Product & Service Councils

“Japanese people have not been aware that there is ‘Europe’ near Japan, but that way of thinking is starting to change,” said Masato Nakamura, a travel journalist who will release a book about Vladivostok.

Young Japanese women enjoying walks, eating and shopping are noticeably increasing, said Nakamura.

Electronic visas are convenient as applicants can apply on the internet in advance, but entering wrong passport information may lead to boarding refusal. For electronic visa applications, applicants need to enter the same entry and departure points.

Japan Times

Women Entrepreneurs Council

Singapore is 3rd in Asia-Pac for Nurturing Women Entrepreneurs, but Growth Outpaced by Other Cities



Singapore ranked third in the Asia-Pacific in fostering growth for women entrepreneurs, though its progress between 2017 and 2019 was outpaced by several other cities around the world, according to a study by US tech giant Dell.

Talent and technology were Singapore’s biggest strengths, while access to capital and a supportive market were its greatest weaknesses, according to Dell’s 2019 Women Entrepreneur Cities Index. The Republic ranked behind Sydney and Melbourne in the region.

Among the 50 cities in the study, Singapore’s ranking fell to 21st in 2019 from eighth in 2017, the last time the index was updated. The report noted that the city’s decline in rank was due to

tight competition from other cities, which made greater strides in nurturing women entrepreneurs.

Coming in first was the San Francisco Bay Area, which edged New York City down to second place for its progress in providing more women entrepreneurs with capital and mentors.

The study was conducted in partnership with research firm IHS Markit to rank cities based on the characteristics or “pillars” of capital, technology, talent, culture and markets. The overall rating is based on 71 indicators, 45 of which have a gender-based component.

Singapore’s talent pillar benefited from increasing its top school and business school rankings. It also increased its pool of professionals needed to help scale businesses.

“The country has a robust and well-developed internet infrastructure, allowing female entrepreneurs to remain connected on-the-go and ensuring fluid business operations,” the report also noted.

Straits Times

Asian Textiles and Garments Council

Bangladesh Aims to Leap Beyond Textiles with Help from South Korea



The country that helped Bangladesh catapult it to an apparel export powerhouse is now aiming to diversify the South Asian nation away from the sector that has sustained it for decades: textiles.

South Korea’s prime minister, Lee Nak-yeon, who concluded a three-day visit to Dhaka in mid-July, told a business audience here that his country would lend its support for Bangladesh to prosper in

new industries by slashing its reliance on ready-made garment exports that made up more than 80% of its overseas sales of \$40 billion for the year ending in June.

South Korean companies, whose transfer of technical know-how helped Bangladesh become the world’s second-largest textiles exporter, behind only China, have scoped out the potential of other emerging sectors.

SK Group, the country’s third-largest conglomerate, is exploring the potential of eventually outsourcing semiconductor manufacturing to Bangladesh, according to officials at the Korea Trade-Investment Promotion Agency, or KOTRA, in Dhaka. The country is at the nascent stage now, and outsourcing would begin initially with design.

The company’s energy arm, SK Gas, already has partnered with Mitsui & Co. of Japan and SPL Petrochemical Complex of Bangladesh and will invest \$300 million in the energy sector, in particular a liquefied petroleum gas terminal in the southeastern city of Chittagong.

Nikkei Asian Review

Asian Council on Food and Agriculture

Bio Asia Taiwan Highlights Full Use of Agriculture Products



At Bio Asia Taiwan on July 25, I-Mei Biomedicine and I-Mei Macrobiotics presented their concept of making full use of agricultural produce, based on the premise that food and medicine share the same origin.

All ingredients for their products originate within Taiwan, whether it is the eggs or the sesame, extracting every valuable part, company managers said

at the July 24-28 event at the Nangang Exhibition Hall in Taipei City.

An example of the companies' environmentally friendly processes was the use of eggshells, which other producers usually discard after they use the rest of the egg to make cakes, biscuits and puff cakes.

However, 91 to 95 percent of the eggshells can be turned into calcium citrate, while the eggshell membranes occupying between 0.3 and 0.5 percent can also be

used as powder.

The same thorough usage of prime materials was also in evidence for sesame. After extracting the sesame, it was still possible to use other elements to produce "sesame proteins" and "sesame fiber," managers said.

Few companies are willing to invest in the necessary research and development to promote as they would prefer to import them, but I-Mei

Biomedicine and I-Mei Macrobiotics said they believed in the full usage of local agricultural products.

I-Mei Foods Co., founded in 1934, has always insisted that food is a business by honest people. In recent years, it has entered the world of biotechnology, founding I-Mei Biomedicine and I-Mei Macrobiotics to develop ingredients and products based on the principle that food and medicine share the same origin.

Taiwan News

Investment & Joint Ventures in the Region

Huawei to Invest US\$3.1bn in Italy



Huawei to invest \$3.1 billion in Italy but calls for fair policy on 5G: country CEO

China's Huawei Technologies said it would invest \$3.1 billion in Italy over the next three years, as the Chinese telecoms giant called on Rome to ensure the "transparent, efficient and fair" use of its 'golden power' on 5G network development.

Speaking at an event in Milan on July 15, the chief executive of the telecoms giant's Italian unit, Thomas Miao, said Italy's golden power - which allows the state to intervene in the private sector in the defense of national security - should be extended to all vendors in the European Union.

Italy recently beefed up the measure due partly to concerns over the potential involvement of Huawei and fellow Chinese company ZTE Corp (000063.SZ) in the development of 5G networks, a government source said.

Miao said Huawei would add 1,000 jobs in the country over the next three years.

He also confirmed the Chinese company would cut 1,000 jobs in the United States. He said if the company is kept on a blacklist in August by Washington, it

has "a plan B" to guarantee supplies of components.

The United States has lobbied Italy and other European allies to avoid Huawei equipment and also to closely scrutinize ZTE, alleging the vendors could pose a security risk. Both companies have strongly denied any such risk.

Reuters

Toyota Invests \$600m in China's Didi and Sets Up Joint Venture



Toyota will invest \$600m in Didi Chuxing, the Chinese ride-hailing company and set up a mobility service joint venture as Japan's largest carmaker seeks to deepen its ties with technology companies.

The deal with Didi is the latest in a number of investments Toyota has made in ride-hailing and car-sharing groups, including a \$500m investment in Uber and a \$1bn injection into south-east Asia's Grab.

Toyota's investment is a boost for the Chinese company, which has been rocked by a consumer and regulatory backlash following the murder last year of two female passengers using its Hitch carpooling service.

The flurry of deals with technology companies, including conglomerate SoftBank, comes as Toyota attempts to

find new ways of making money beyond manufacturing and delivering vehicles in the coming self-driving era.

Toyota already has a partnership with Didi to develop a driverless shuttle, called e-Palette, for passengers and deliveries along with other companies including Uber, Amazon and Pizza Hut. The company will aim to develop e-Palette in time for the 2020 Tokyo Olympics and commercialise the service by 2023.

Financial Times

Jollibee buys Coffee Bean & Tea Leaf



Jollibee, the Philippines' largest fast food chain, is taking a big step to expand its business internationally.

The company said it plans to acquire California-based Coffee Bean & Tea Leaf, which has nearly 1,200 stores across more than 25 countries. The brand's cafes serve brewed coffee and sweet blended drinks like chocolate cookie lattes and frozen mango sunrise ice blended tea.

Jollibee wants to focus on growing the Coffee Bean & Tea Leaf brand in Asia. In a press release, Jollibee's Chairman Tony Tan Caktiong said the deal will enable the company to "become an important player in the large, fast growing and profitable coffee business."

Starbucks (SBUX) and Luckin Coffee (LK) have also been expanding their Asian businesses. Luckin announced recently that it will partner with Kuwait-based company The Americana Group to set up a coffee retail business in the Middle East and India. And Coca-Cola (KO) bought Costa Coffee for \$5 billion last year to catch onto the growing international coffee scene.

Jollibee said the total value of the Coffee Bean & Tea Leaf deal will be \$350 million, with \$100 million invested into a new Singapore-based holding company.

Jollibee has a dedicated fanbase for its signature brand's fried chicken and sweet spaghetti. The company currently operates 3,195 stores in the Philippines and 1,418 in countries ranging from the United States to Saudi Arabia. The company says the new deal would grow the international business to 36% of all sales.

CNN Business

Japan's Daiwa Readies Fund to Invest in Myanmar Startups



Daiwa Securities Group will set up a venture capital fund in Myanmar, in a first for a major Japanese financial institution.

The Southeast Asian country's economy is growing at a roughly 6% clip, and information technology startups are emerging. This makes Myanmar an attractive market for Japanese institutional investors seeking relief from persistently low interest rates at home.

Taiyo Life Insurance has already

decided to contribute to the fund. Daiwa is thinking about launching more such funds, depending on how the first one performs.

The fund is likely to amount to \$30 million, with an investment period of about 12 years. The plan is to invest around \$1 million in each promising Myanmar startup the fund targets.

Daiwa hopes to help the companies grow for a few years, ushering them toward initial public offerings -- from which it would reap profits. The listings would be supported by the Myanmar Securities Exchange Centre, a joint venture between Daiwa and state-run Myanmar Economic Bank.

Myanmar is hungry for foreign investment, especially after the total authorized in the year through March fell 37% on the year to \$3.6 billion. Money inflows slowed after the military crackdown on the country's Rohingya Muslim minority made global headlines.

Nikkei Asian Review

Economic Cooperation News

US Becomes Mongolia's 5th Strategic Partner

Mongolian President Battulga Khaltmaa paid state visit to the United States in late July, aiming to bolster the two countries' political and economic relations into a new strategic partnership. While this is Battulga's first state visit to the United States, the two sides held a number of high-level diplomatic exchanges preparing the groundwork, including the September 2018 Roadmap for Expanded Economic Partnership, Mongolian National Security Council Secretary Gansukh Amarjargal's visit to Washington in November 2018, and U.S. National Security Advisor John Bolton's visit to Ulaanbaatar in June 2019. Each diplomatic engagement forged stronger and closer ties between the two governments.

Thus, on July 31, after the meeting between Battulga and U.S. President Donald J. Trump, the U.S. Department of State released the Declaration on the Strategic Partnership Between the United States and Mongolia. This declaration indicates Mongolia's successful utilization of the third-neighbor policy and makes

the United States the fifth country to ink a strategic partnership with Mongolia.

The Declaration on the Strategic Partnership between the United States and Mongolia is built on mutual understanding and a shared pursuit of global and regional peace and security, protecting human rights, freedom of speech, and national independence and territorial integrity. The declaration acknowledges that U.S.-Mongolia ties "have grown stronger and closer based on common strategic interests, shared democratic values, good governance, principles of sovereignty, and respect for human rights" and "that the United States of America and Mongolia have a mutual interest in cooperating more closely to ensure peace, security, and stability in the region."

The Diplomat

Beijing Vows to Ramp Up Infrastructure, Economic Cooperation

China is looking forward to enhancing its long-standing relationship with Thailand as well as improve its strategic partnership now Thailand has a

new government, Chinese State Councillor and Foreign Minister Wang Yi said.

His comments came during a meeting with his Thai counterpart, Don Pramudwinai, in Bangkok on August 1.

Thailand, as chair of Asean, is hosting the 52nd Asean Ministerial Meeting, Post Ministerial Conferences and related meetings.

Mr Wang said the two countries would push for a Sino-Thai railway project and expand cooperation in other areas also such as 5G technology, the Eastern Economic Corridor scheme, and smart city projects.

Mr Don said Thailand valued the development of Thai-China relations and the two countries would work together on China's Belt and Road Initiative as well as improve trade and economic cooperation.

Bangkok Post

Kazakhstan and Japan Explore New Investment Opportunities

Kazakhstan's delegation visited Tokyo on August 1-2, where it had separate meetings with heads of Japanese companies and organizations, such as Sumitomo,

Marubeni, Nippon Express, Hitachi Construction Machinery, Chiyoda Technol, Sumitomo Mitsui Banking Corporation, Sojitz, Terra Drone, JOGMEC, and Nikke Group, the Kazakh Foreign Ministry reported.

The parties discussed ongoing and perspective joint projects in Kazakhstan in such industries as engineering, energy, agriculture, logistics, petrochemicals, light industry, robotics and ICT. The Kazakh side informed the Japanese companies on measures to improve the investment climate and expanding opportunities for investors in Kazakhstan.

Japanese investors expressed interest in investing in Kazakhstan's economy, as well as informed about the progress of current investment projects in Kazakhstan. The world's fourth largest logistics company, Nippon Express, announced the official opening of its Central Asian office in Kazakhstan. Hitachi Construction Machinery Co., which has been operating in Kazakhstan since 2004, is working on creation of a regional center for repair and maintenance services for mining equipment. Japan Oil, Gas and Metals National Corporation (JOGMEC) intends to continue cooperation in the development of rare earth metal processing technologies. The management of Sumitomo Mitsui Banking Corporation, the largest Japanese bank, suggested using a credit line opened jointly with Kazakhstan's Baiterek National Holding as actively as possible.

In addition, on August 2, Deputy Foreign Minister Ermek Koshbayev, who led Kazakhstan's delegation, met with Japanese Parliamentary Vice-Minister for Foreign Affairs Kenji Yamada. They discussed economic cooperation between Kazakhstan and Japan.

The Japanese side expressed readiness to support Kazakhstan's initiatives to intensify investment cooperation.

The Times of Central Asia

Chinese Investors Eye 3 Philippine Isles

Chinese investors are targeting three strategic islands in northern Philippines for transformation into economic and tourism zones.

The islands — Fuga in Cagayan province, and adjacent Grande and Chiquita in Subic Bay, Zambales province — play

significant roles in the country's national security, according to military officials.

Fuga Island, part of the country's second northernmost island group, provides access to the Pacific Ocean and the South China Sea, while Subic Bay is just 260 kilometers from Panatag Shoal that China seized from the Philippines in 2012.

The Philippines secured \$12.16 billion worth of investments as part of the 19 business deals signed between Filipino and Chinese companies on the sidelines of President Rodrigo Duterte's visit to Beijing in April for the Belt and Road Initiative forum.

One agreement is for a proposed \$2-billion "Smart City" to be built by Xiamen-based Fong Zhi Enterprise Corp. on Fuga Island.

The Chinese company hopes to build an agriculture breeding center and soil improvement project, medical schools and a high-tech industrial park, according to the Cagayan Economic Zone Authority (Ceza), which supervises the development of the island.

A "strategic cooperation agreement" was also part of the memorandum of understanding signed by Isla Fuga Pacific Resorts Inc., owner of the Fuga Islands, and Fong Zhi Enterprise Corp. and China Enterprise Group International Investment Corp. for the "One Belt One Road Fuga Island New Smart City," Ceza said.

Cebu Daily news

Top Turkish, Malaysian Diplomats Discuss 'Excellent' Bilateral Ties

Foreign Minister Mevlüt Çavuşoğlu hosted his Malaysian counterpart Saifuddin Abdullah in the capital Ankara on July 24.

They discussed the "excellent" bilateral ties between the two countries, Turkey's top diplomat said on Twitter.

"Cooperation in the field of defense industry will give a new impetus to our economic relations with one of our best commercial partners in the region," said Çavuşoğlu, lauding Malaysia as a strategic partner in Southeast Asia. Saifuddin is currently in Turkey as part of a delegation of Malaysian Prime Minister Mahathir Mohamad.

Last year, Turkey's envoy to Malaysia Merve Kavakçı said Malaysia

is a passage to Asia and India. She added that Turkey could help Malaysia take a more active role in Africa. Kavakçı said Malaysia's exports to Turkey total around \$3 million, while Turkey's exports to Malaysia total around \$300 million. "We want to bring Turkish industries and Malaysian industries together, not in a way for one side to dominate the other, but to collaborate, to join hands in technology transfer, in building together and in putting heads together," Kavakçı said.

Daily Sabah

Vietnam Promotes Trade, tourism, investment cooperation with Indonesia

Da Nang City People's Committee coordinated with the Indonesian Embassy in Hanoi to organize a business forum named "Promotion of Indonesia Trade, Tourism and Investment in Vietnam", on August 5, in Da Nang city.


The event is part of the Da Nang International East-West Economic Corridor (EWEC) Trade and Tourism Fair 2019. Vietnam and Indonesia have established a strategic partnership since June 2013. Indonesia is currently the fourth largest trading partner of Vietnam in ASEAN. Indonesia is known as an open market, with a diverse range of goods, attractive to businesses of Vietnam in general and Da Nang in particular.

Speaking at the forum, Vice Chairman of Da Nang People's Committee Ho Ky Minh said that, in recent years, with preferential policies and open mechanism, which aim to attract investment, promote trade, expand economic exchanges and create favorable conditions to encourage all economic sectors, Da Nang has achieved remarkable achievements in import and export activities. Da Nang's export turnover in 2018 was estimated at US\$ 1.6 billion, with an average increase of 12.2% per year in the period from 2011-2018; import turnover in 2018 was estimated at US\$ 1.4 billion, with an average increase of 8.6% per year in the 2011-2018 period.

However, for the Indonesian market, the export turnover of Da Nang to Indonesia is quite modest, about US\$ 300,000 per year, with the main export being items such as handicrafts, finished

Continued to page 11

Fairs & Exhibits in Asia-Pacific

DATES 2019	NAME OF FAIR (Further Information)	COUNTRY	DATES 2019	NAME OF FAIR (Further Information)	COUNTRY
3-5 Sept.	Philippines Lab 2019 (Fireworks Trade Exhibitions & Conferences Philippines, Inc., Tel: 632-9020-900, Email: phil@asiafireworks.com, URL: http://phil-lab.com/)	Manila Philippines	17-19 Sept.	SURFACE Design Middle East (Dmg Events, Tel: 971-4-438-0355, Email: info@surfacedesignexhibition.com, URL: http://surfacedesignexhibition.com/)	Dubai U.A.E.
					
3-6 Sept.	The 26th Gourmet & Dining Style Show Autumn 2019 (Business Guide-Sha, Inc., Tel: 81-3-3847-9853, Email: n-haga@gourmetdiningstyleshow.com, URL: http://n-haga@gourmetdiningstyleshow.com)	Tokyo Japan	17-19 Sept.	Broadcast Pakistan 2019 (Ecommerce Gateway Pakistan (Pvt) Ltd., Tel: 92-21-3453-6321, Email: info@broadcastpakistan.com.pk, URL: http://broadcastpakistan.com.pk/)	Karachi Pakistan
					
4-6 Sept.	BEX Asia 2019 (Red Exhibitions, Tel: 65-6780-4594, Email: info@bex-asia.com, URL: https://www.bex-asia.com/)	Singapore Singapore	18-20 Sept.	2nd RoboDEX Nagoya (Reed Exhibitions Japan Ltd., Tel: 81-3-3349-8502, Email: robo_nagoya@reedexpo.co.jp, URL: http://robo_nagoya@reedexpo.co.jp)	Nagoya Japan
					
4-7 Sept.	Textech (Conference & Exhibition Management Services Ltd., Tel: 88-02-4881-0267, Email: contact@cems-textech.com, URL: http://contact@cems-textech.com)	Dhaka Bangladesh	18-20 Sept.	Cambuild '19 (Amb Tarsus Events Group, Tel: 855-23-907-579, Email: kim@ambtarsus.com, URL: http://www.cambuildexpo.com/)	Phnom Penh / Cambodia
					
5-6 Sept.	Aeromart Sacheon (Advanced Business Event (BCI Aerospace), Tel: 33-1-4186-4146, Email: am-adex@advbe.com, URL: http://am-adex@advbe.com)	Sacheon Korea	18-21 Sept.	Oil & Gas Indonesia 2019 (PT Pamerindo Indonesia, Tel: 62-21-2525-320, Email: info@pamerindo.com, URL: http://info@pamerindo.com)	Jakarta Indonesia
					
8-11 Sept.	CIFIT (Liaison Department of CIFIT Organizing Committee, Tel: 86-592-285-9828, Email: cifit@chinafair.org.cn, URL: http://www.chinafair.org.cn/english/index/index.aspx)	Xiamen China	19-21 Sept.	Hotel Suppliers Show (Global-Link Marketing and Management Services Inc., Tel: 632-893-7973, Email: info@hotelsuppliersshow.com, URL: http://info@hotelsuppliersshow.com)	Pasay Philippines
					
9-11 Sept.	Diet & Beauty Fair Asia 2019 (UBM Japan Co., Ltd., Tel: 81-3-5296-1013, Email: d-expo-jp@dietandbeauty.jp, URL: http://www.dietandbeauty.jp/en/)	Tokyo Japan	25-26 Sept.	Slush Shanghai 2019 (Slush China, Email: china@slush.org, URL: https://shanghai.slush.org/slush-shanghai-2019/)	Shanghai China
					
10-12 Sept.	Safety in Action Melbourne 2019 (Informa Australia, Tel: 61-2-9080-4143, Email: info@informa.com.au, URL: https://www.safetyinaction.net.au/)	Melbourne Australia	25-26 Sept.	Vitafoods Asia 2019 (Informa Exhibitions, Tel: 44-20-7017-7036, Email: chris.lee@informa.com, URL: https://www.vitafoodsasia.com/en/welcome.html)	Singapore Singapore
					
11-13 Sept.	Medical Fair Thailand 2019 (Messe Duesseldorf Asia Pte Ltd., Tel: 65-6332-9620, Email: medicalfair-thailand@mda.com.sg, URL: http://medicalfair-thailand@mda.com.sg)	Bangkok Thailand	25-28 Sept.	Bangkok E&E 2019 (Office of Information Technology and Service Development, Department of Agricultural and Industrial Trade Promotion, Tel: 66-2-507-8374-78, Email: rhvac@ditp.go.th, URL: http://rhvac@ditp.go.th)	Bangkok Thailand
					
11-14 Sept.	Pharmed 2019 (Adpex Joint Stock Company, Tel: 84-4-3516-2063, Email: pharmed@pharmed.vn, URL: https://pharmed.vn/)	HoChiMinh City/Vietnam	26-28 Sept.	Livestock Myanmar 2019 (Veas Co., Ltd., Tel: 84-28-3848-8561, Email: info@veas.com.vn, URL: http://www.livestock-expo.com/)	Yangon Myanmar
					
13-15 Sept.	ANUTEK (Koelnmesse YA Tradefair Pvt. Ltd., Tel: 91-8125-70-7722, Email: s.kumar@koelnmesse-india.com, URL: http://www.foodtecindia.com/)	New Delhi India	26-28 Sept.	Taiwan Innotech Expo 2019 (Taiwan External Trade Development Council (TAITRA), Tel: 886-2725-5200, Email: invent@taitra.org.tw, URL: http://invent@taitra.org.tw)	Taipei Taiwan
					
16-17 Sept.	Professional Beauty Mumbai 2019 (Professional Beauty India, Tel: 91-22-6171-3232, Email: reg@professionalbeauty.in)	Mumbai India	27-29 Sept.	24th Con Expo Sri Lanka 2019 (Conference & Exhibition Management Services Ltd., Tel: 1-646-416-7902, Email: contact@cems-conexpo.com, URL: https://lk.cems-conexpo.com/)	Colombo Sri Lanka
					

rubber products, and children's toys. Therefore, it is necessary to strengthen trade, tourism and investment promotion and connect trade between Da Nang

enterprises and Indonesian enterprises.

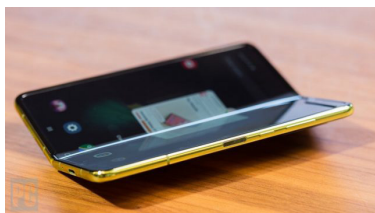
The forum aims to promote bilateral trade between Indonesia and Vietnam so that the two sides can approach,

study, seek opportunities and promote business cooperation in the coming time.

Nhan Dan Online

Technology

Samsung to Launch Revamped Galaxy Fold in September



Samsung Electronics Co is to begin selling its Galaxy Fold in September, resurrecting a device it pulled months ago after early reviewers reported defects in the gadget's flexible screen.

The world's biggest smartphone maker is conducting final testing after making a series of modifications to the device, and said in an online post that it would sell the phone in select markets without elaborating.

Samsung canceled the April 26 launch of the US\$1,980 device after the folding displays on review models exhibited problems.

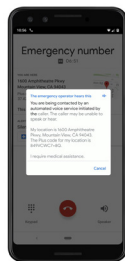
It was to have been the company's crowning achievement, the world's first mass-produced foldable smartphone and a symbol of technological prowess, but some models developed issues after mere days of use.

Bloomberg's review unit failed to function properly after a plastic layer covering the screen was removed, and a small tear developed at the top of the hinge where the gadget opened.

Samsung has since redesigned the Galaxy Fold, adjusting the protective film so it wraps around the entire screen and flows into the outer bezels, rendering it impossible to peel off by hand, Bloomberg News reported.

Bloomberg

Google will Start Using its Text-to-Speech Technology for Emergency Calls on Pixels



Google is adding an automated text-to-speech feature to the Phone app on Pixel devices, enabling a one-tap system to relay location information to medical, fire, or police responders without the need for speech.

The system is simple: when on an emergency call, the Phone app will now offer three additional buttons, labeled "Medical," "Fire," or "Police." Tapping the button will activate a text-to-speech feature that will read out a message informing the operator that the caller is using an automated service, describing the kind of help the caller needs and the caller's current location. Google says that the new feature is designed for situations in which someone needs emergency services but cannot verbally communicate with an emergency call operator due to injuries, a dangerous situation, or a speech disability.

It's an expansion of a feature Google added to its default Phone app for Pixel devices back in 2017, which would automatically display a location card on the dialing screen when calling an emergency number like 911 to make it easier to relay that information to responders directly from the phone app. The new text-to-speech system makes that even simpler by cutting out the need for the person in an

emergency situation to be able to read out that information at all.

The new feature is set to roll out to Pixel phones in the US in the coming months, with "select Android devices" set to get it, too.

The Verge

Killing Bugs and Sorting Cucumbers: How Artificial Intelligence is Already Changing the Way We Live Our Lives



Reversing into a gravel-laden road, the first glimpse of Mr Makoto Koike's cucumber farm came into view. It was a sight for sore eyes, having travelled more than three hours from Tokyo to reach the sleepy town of Shirasuka in the Shizuoka Prefecture.

As greenhouse farms go, it looked pretty unremarkable, with transparent tarpaulin covering the 38-year-old farmer's prized produce - the Japanese cucumber.

But behind the scenes, strange things were happening. The visionary farmer is using technology to help transform the way a decades-old family business operates.

Every day at around this time of year, the farm produces about 100kg - or about 1,200 cucumbers - and this could go up to 500kg during the peak harvesting season. These then have to be sorted

Technology

according to nine different quality grades depending on the cucumber's attributes like size, shape, consistency and colour, Mr Makoto explained when CNA visited the farm last month as part of a Google-organised media trip.

A discoloured or out-of-shape cucumber is deemed inferior to one that is consistently straight and dark green all the way through.

This sorting process is crucial to the family's business given that premium-quality Japanese cucumbers are highly sought after, particularly by sushi establishments around the country. During the winter peak season, 5kg of these cucumbers can go for anything between 1,000 yen (S\$12.54) and 2,000 yen (S\$25.10), he said, adding that its value drops to about 800 yen (S\$10) for the same amount during the off-peak summer

season.

Yet the bulk of the sorting process has been carried out by his 64-year-old mother Masako, who needs about 2-3 hours to sort about 50kg of cucumbers at any sitting, Mr Makoto pointed out. During the peak season, he said she could spend eight hours straight just identifying the different grades of cucumbers and throwing them into the various boxes in the family's musky, cluttered shed.

To alleviate her workload, he turned to artificial intelligence (AI) for help. In 2016, the former auto industry engineer leaned on his programming language skills and picked up AI - specifically Google's open source machine learning tool TensorFlow - to figure out how to automate the very tedious and manual process of sorting the cucumbers.

The first iteration of his AI-

enabled cucumber sorting machine achieved an accuracy rate of 60 per cent when benchmarked against his mother's judgement, he said.

The second was even more accurate - at 80 per cent - but he said it required too many cameras (three) and the process involved putting each cucumber in a container for detection before the vegetable is dropped on a conveyor belt and packed off in boxes of different grades.

His latest generation contraption can sort up to 10 cucumbers at a go using just one camera, but this meant accuracy suffered - it is now at 70 per cent, the second-generation farmer shared even as he continues to fine-tune the home-brewed mechanism that cost about US\$200 to put together.

Channel News Asia

Policy Updates

Hong Kong

Hong Kong's GDP Has Been Dragged Down by Political Unrest, Trade War

Hong Kong suffered a day of tempestuous weather, grim economic news and signs that the city's political crisis is deepening.

Gross domestic product contracted 0.3% from the previous quarter, while growth on a year-ago basis remained at 0.6%, according to data released on July 31. Both results were well below the estimates of economists surveyed by Bloomberg.

Hong Kong's trade-dependent economy was facing a full-year deceleration even before protests over the government's extradition bill began disrupting business and tourism in June. The data release came after the city's financial markets shut early due to a typhoon, and amid signs that the government is taking a harsher line in punishing protesters.

"The trade war is hurting Hong

Kong," said Iris Pang, an economist with ING Bank NV in Hong Kong. "At the same time, into the second half of 2019, we will have protests also damaging the Hong Kong economy through consumption and the job market. It means that we are doubly hit."

Bloomberg

India

India's July Soymeal Exports Plunge 59% Yoy to Near Three-Year Low: Trade Body

India's soybean meal exports in July plunged 59% from a year ago to the lowest level in nearly three years as key buyers curtailed purchases due to higher prices, a leading trade body said on August 6.

The country exported 26,006 tonnes of soymeal in July, the lowest since September 2016, and down from 63,748 tonnes a year earlier, according to provisional data compiled by the Solvent Extractors' Association (SEA).

The drop pulled down the country's total oil meal exports to 166,301 tonnes in July, 23% lower than a year ago, the association said in a statement.

Indian soymeal is nearly 20% expensive compared to shipments from rival south American countries, said a Mumbai-based exporter, adding that "even in August exports would fall sharply."

New Delhi mainly exports soymeal to Iran, Nepal and Japan.

Reuters

Indonesia

Indonesia Posts Smaller-Than-Expected \$200 Million Trade Surplus in June

Indonesia recorded a narrower-than-expected trade surplus in June, as imports surprisingly rose, government data showed on July 15.

Southeast Asia's largest economy had a surplus of around \$200 million in June, the statistics bureau said. A Reuters poll had expected a \$690 million surplus.

Policy Updates

Indonesia had a surprise surplus of \$218.5 million in May.

Imports increased 2.80% in June from a year earlier to \$11.58 billion, as opposed to the poll's prediction of a 5% drop.

June exports were down 8.98% on year to \$11.78 billion, as earnings from minerals as well as oil and gas products plunged.

Through May, Indonesian exports and imports both declined for months, in line with softer global trade amid the U.S.-China trade war.

Statistics bureau chief Suhariyanto said long holidays at the end of the Muslim fasting month of Ramadan contributed to June's weak foreign trade.

Reuters

Japan

Japan takes Korea off List of Trusted Trade Partners, Effective Aug. 28

Japan resolved on August 2 to remove South Korea from a "whitelist" of 27 countries that receive preferential trade treatment.

Japanese Prime Minister Shinzo Abe convened a Cabinet meeting the same day to decide whether to revise the Export Trade Control Order and remove Korea from its list of trusted trading partners.

The revised order will be signed by Minister of Economy, Trade and Industry Hiroshige Seko and co-signed by Abe. Seko said the revision would take effect Aug. 28.

As of that date, Japanese exporters will require government approval each time they export a shipment of strategic items to Korea. The strategic items category comprises 1,115 parts and materials that could possibly be used to develop weapons.

Immediately after the Cabinet decided to exclude Korea, Seko addressed reporters' questions about the potential negative impact of the export restrictions on Japanese firms.

"I believe this measure will not basically affect Japanese companies. But, if so, Japan should set up supply chains

with Taiwan and ASEAN nations (to mitigate the damage)," Yonhap quoted him as saying. ASEAN refers to the Association of Southeast Asian Nations.

Korea's presidential office expressed "deep regret" over Japan's decision to impose additional export restrictions against Korea.

The Korea Herald

South Korea

Korea Closely Monitoring Market Volatility: Deputy Finance Minister

South Korea's finance ministry said on August 6 that it is closely monitoring financial market volatility and that it would take measures if the current situation worsens.

"The government will take quick and bold market stabilisation measures if volatility in financial markets excessively rises," Deputy Finance Minister Bahng Ki Sun said in a meeting.

Volatility has risen after the United States designated China a currency manipulator, which sharply weakened China's yuan. South Korea's financial markets have already been shaken by Japan's export curbs, Bahng added.

The US government has determined that China is manipulating its currency, and will engage with the International Monetary Fund to eliminate unfair competition from Beijing, US Treasury Secretary Steven Mnuchin said in a statement on August 5.

Reuters

Malaysia

'Revitalise Livestock Industry via Partnerships'

The livestock industry needs to be revitalised through strategic partnerships with the private sector and existing companies to address the shortage of beef.

In its Market Review on Food Sector report, the Malaysia Competition Commission (MyCC) said the country had been highly dependent on beef imported



from Australia (90 per cent of its fresh and frozen beef) and India (80 per cent of its frozen beef).

Such dependency led to price hikes and contributed to higher cost of living, as prices of beef in both countries had been rising.

The report also revealed there were limited number of exporters in these key import countries, which may lead to an oligopoly.

MyCC recommended that the government restructure and use a different approach to ramp up domestic beef production, aside from ensuring consistent supply in the market.

"The livestock industry should be revitalised, and this can be done through strategic partnerships with the private sector and existing companies, which have been successful in the local beef farming industry.

"The government should play an active role in encouraging and incentivising local and non-local domestic beef producers and cattle farmers, including potential market players," the report said.

New Straits Times

Philippines

Inflation Remains Low at 2.4% in July 2019

Inflation or the rate of increase in the prices of goods remained within the desirable range for the 6th straight month, according to the Philippine Statistics Authority.

National Statistician Dennis Mapa said on August 6, that inflation in July settled at 2.4%, lower than the 2.7% recorded in June.

Inflation year-to-date stands at

Policy Updates

3.3%, well within the government's target range of 2% to 4%.

"The downtrend was primarily brought about by the slower annual rate posted in the index of the heavily-weighted food and non-alcoholic beverages at 1.9%," Mapa said.

Also contributing to the downtrend were slower price increases for housing, water, electricity, gas, and other fuels, and transport.

A downward trend was also recorded in the inflation of the National Capital Region (NCR), clocking in at 2.3%.

Meanwhile, inflation in areas outside NCR was the same as the national average of 2.4%.

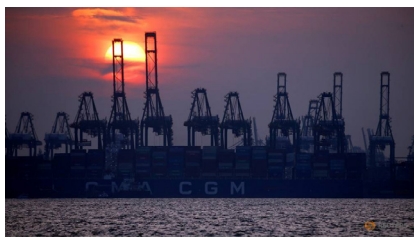
The highest annual rate among the regions in areas outside NCR remained in Mimaropa at 4.9%, which Mapa referred to as an outlier.

"We welcome this decelerating trend in prices but we remain on guard against possible upside risks such as adverse weather conditions, possible entry of the African swine fever, and uncertainty in the global oil market, among others," Socioeconomic Planning Secretary Ernesto Pernia said.

Rappler

Singapore

Singapore Exports post Biggest Drop in 6 Years as Electronics Slump



Singapore's exports fell more than expected in June, marking their biggest decline in six years, as it struggles against tepid global demand and the Sino-US trade war.

The grim trade numbers add to a slew of weak economic data and reinforce economists' expectations that the central bank could ease monetary policy at its

October meeting.

Non-oil domestic exports (NODX) fell 17.3 percent in June, marking the fourth straight month of year-on-year decline, data from trade agency Enterprise Singapore showed on July 17.

This was worse than the 9.9 percent contraction predicted by 10 economists in a Reuters poll, and the biggest decline since February 2013 when exports fell 33.2 percent from the year before, Refinitiv Eikon data show.

"It's everything bad coming together. You have a global economic slowdown, a trade war and a Chinese slowdown," said OCBC economist Selena Ling.

Channel News Asia

Taiwan

Taiwan Ministry Reveals Plan to Boost Shipping Industry

Minister of Transportation and Communications Lin Chia-lung on July 11 said that his ministry plans to roll out a 10-year development plan for a "Blue Highway" to boost domestic maritime transport businesses.

Lin made the announcement at the Maritime Festival in Taipei.

The shipping industry faces many challenges, including the US-China trade dispute and international oil price hikes, Lin said, adding that the nation's maritime service operators still grow against all odds.

Lin said that four of the nation's shipping firms are in the top 20 in the world.

Evergreen Maritime Corp, Yang Ming Maritime Transport Corp, Wang Hai Lines and T.S. Lines Co are ranked Nos. 7, 8, 12 and 20, respectively, he added.

The nation's shipping capacity also reached a deadweight tonnage of 5,042 and is ranked No. 11 in the world, Lin said, adding that these extraordinary achievements are made possible thanks to shipping operators' effort and contributions.

The ministry has listed the development of a "Blue Highway" as one of its important maritime policies, and

plans to present its development plan by the end of this year, Lin said.

State-run Taiwan International Port Corp has been asked to facilitate the growth of domestic maritime services, not only in passenger transportation but also in around-the-nation freight transshipment, Lin said.

Taipei Times

Thailand

Thailand to Open Up Visa-Free Stays



As China and India emerge as priority targets for Thailand's latest tourism promotions, visa-free-travel is back on the table for urgent consideration.

Minister of Tourism and Sports, Pipat Ratchakitprakarn, told Prachachat Business he intends to introduce visa-free travel for Chinese and Indians later this year.

Currently, citizens of both countries need to apply for a visa-on-arrival although the THB2,000 service fee has been waived until October this year.

The new minister says all that might change with both countries joining a long list of countries that enjoy visa-free entry for a stay of 14 days, possibly as early as 1 November.

This year's target for tourism revenue, including domestic travel, has been set at THB3.4 trillion. Earnings from international tourists will reach around THB2.2 trillion while tourist arrivals should exceed 40.5 million.

The move is part of a broader policy to increase tourism revenue and reverse the slow down in the tourism growth rate.

Pipat says the Chinese market could still deliver as many as 11 million

Policy Updates

tourists this year up from 10.5 million. While tourist arrivals from India in 2018 reached 1.5 million, making it the sixth-largest source of visitors. The growth rate was an impressive 27% over 2017.

The latest proposal will introduce a one-year pilot project offering Chinese and Indian tourists visa-free entry starting 1 November, a day after the current Visa-on-Arrival project ends.

TTR Weekly

Turkey

Turkish Central Bank Lowers 2019 Inflation Forecast to 13.9%

Turkey's central bank cut its inflation forecasts on July 31 and new governor Murat Uysal said it has "considerable" room for manoeuvre on interest rates in coming months, a week after it began an expected policy easing cycle with a big cut.

Uysal - appointed this month after President Tayyip Erdogan dismissed his predecessor - also said the bank had independence in its use of tools to reach its inflation target.

The upbeat comments by Uysal,

who was Cetinkaya's deputy, set the scene for more rate cuts over the next months, especially if a spreading monetary easing trend among major central banks continues to stabilise the Turkish lira after its meltdown last year.

The lira was up 0.6% at 5.53 against the dollar at 1246 GMT, on track for a sixth straight day of gains.

"In the upcoming period we have a considerable room for manoeuvre on rates. Its application, timing and size will depend on the improvements on price and financial stability," Uysal said. "We will make (the decision) based on data."

Nasdaq

Vietnam

Programme to Honour Business Initiatives for Sustainable Development

"Én Xanh (Blue Swallow) 2019 - Drive social business initiatives for sustainable development" has returned for a second time after being launched in 2017.

The programme will focus this year on seeking out and supporting business initiatives that address challenges in five

areas - sustainable agriculture, environment and climate change, sustainable tourism, women empowerment, and inclusive business - Pham Kieu Oanh, founder and director of the Centre for Social Initiatives Promotion (CSIP), said.

It seeks to build, accelerate and recognise business initiatives for social change, promote entrepreneurial spirit and accelerate innovative and scalable business solutions which are making positive contributions to sustainable development goals.

It will specifically target youths with the potential to come up with initiatives and who show a passion to make a lasting impact on the community through their start-ups.

Individuals, businesses and organisations with business initiatives and solutions that address social and environmental challenges and benefit low-income people are encouraged to join the programme.

Registration will remain open until August 31 and a Gala night to honour outstanding initiatives will be held in October in Hanoi.

Vietnam News

About CACCI

The Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) is a regional grouping of apex national chambers of commerce and industry, business associations and business enterprises in Asia and the Western Pacific.

It is a non-governmental organization (NGO) serving as a forum for promoting the vital role of businessmen in the region, increasing regional business interaction, and enhancing regional economic growth. Since its establishment in 1966, CACCI has

grown into a network of national chambers of commerce with a total now of 29 Primary Members from 27 countries in the region. It cuts across national boundaries to link businessmen and promote economic growth throughout the Asia-Pacific region.

As an NGO, CACCI is granted consultative status, Roster category, under the United Nations. It is a member of the Conference on NGOs (CoNGO), an association of NGOs with UN consultative status.

Published monthly by the Secretariat, Confederation of Asia-Pacific Chambers of Commerce and Industry
Ernest Lin, Director General; Amador R. Honrado, Jr., Editor, Jacqueline Uy, Associate Editor
Wendy Yang, Contributing Editor; Teresa Liu, Assistant Editor
7F-2, No. 760, Sec. 4 Bade Road, Taipei 10567, Taiwan; Tel: (886 2) 2760-1139; Fax: (886 2) 2760-7569
Email: cacci@cacci.biz; Website: www.cacci.biz