



CACCI President's New Year Message



I am pleased to convey to all CACCI members and friends a very Happy New Year. May the incoming year bring you continued success and prosperity in all your undertakings.

Indeed, the year 2020 promises to be another challenging and exciting period for CACCI and our members. As you all know, the global economy is currently undergoing changes that have created a market environment that is particularly disorienting for business leaders. The twin forces of rising economic nationalism and the rapid adoption of digital technologies are radically redefining globalization as we have long known it.

The combination of economic nationalism and digital integration certainly poses several major challenges for Asia. However, I am confident that, with effective leadership, the region is in a strong position to make the needed transition and capitalize on the new opportunities.

Asia is certainly ready to benefit from the digitalization of global business and the shift to services and domestic consumption.

With the unwavering support of all officers and members, I believe that CACCI, given its talents and resources, is up to the challenge. I therefore look forward to your participation in the various activities lined up for the year – such as the planned Presidential visits to some CACCI member countries, various training programs to be conducted jointly with our strategic partners, and the 34th CACCI Conference, among others. Let us take advantage of these opportunities to explore with one another on how best we can further strengthen the bond that ties us together while promoting the region's economic growth and development.

I wish everyone a productive and bountiful year ahead!

Samir Modi
President

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CACCI Co-Signs the CoNGO Declaration on the Occasion of the 75th Anniversary of the United Nations

The Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) has agreed to be a signatory to the Declaration of the Conference of Non-governmental Organizations in Consultative Relationship with the United Nations (CoNGO) on the Occasion of the 75th Anniversary of the United Nations. CACCI, which was granted Consultative Status with the ECOSOC under the United Nations in 1970, joined CoNGO in 1979.

Conference of NGOs
in Consultative
Relationship with
the United Nations



Conférence des ONG
ayant des Relations
Consultatives
avec les Nations Unies

Executive Summary of the CoNGO Declaration

CoNGO is an independent, international association facilitating the participation of NGOs at the United Nations. Since 1948, CoNGO engages with the UN through more than thirty NGO Substantive Committees. CoNGO endorses the goals and values enshrined in the United Nations Charter, and advocates for multilateralism to resolve political, environmental, health and other challenges. We reaffirm the centrality of the United Nations to a more peaceful and more just world, where all people have access to education, health, judicial remedy, democratic participation, and economic advancement. On the occasion of the 75th Anniversary of the United Nations, CoNGO salutes the achievements of the United Nations in the maintenance of peace and security, the promotion of human rights, and the advancement of sustainable development.

Agenda 2030 is a framework to eliminate poverty, reduce inequality, and protect the planet. Yet progress has fallen short

of what is required. Achieving the World We Want and the World We Need calls for active partnerships among international bodies, governments, local authorities, corporations, and civil society. On the occasion of the 75th Anniversary, we

must move from a climate of nationalism, conflict and injustice to a culture of multilateralism, peace, and security, for the good of all humankind. CoNGO calls for the 75th Anniversary to be an occasion for strengthening the United Nations, expanding its role to more effectively engage civil society everywhere. It is an occasion to enter into a dialogue to achieve a structure of relationships that responds to the challenges of a changing world. On this 75th Anniversary, we urge all governments to strengthen their commitment to the United Nations not only morally but also financially and materially.

The United Nations must adapt to changing needs and realities, to increase its credibility and effectiveness, and ensure inclusive decision-making at all levels. Strengthening the United Nations will require the broad support and involvement of civil society and citizens everywhere, and flexibility in engaging with them and listening to their concerns.

As the United Nations celebrates its first 75 years, we have an opportunity to revisit the past, define the present, and shape a new future. Humanity cannot wait. Peace, justice and development depend on people-centred approaches to transforming our economy, society and environment. We must increase momentum to ensure that no one is left behind.

Global Chamber Platform Chairman Signs Declaration of Intent for Circular Economy



The Eurochambres has announced that on November 13th 2019, on the occasion of the 20th edition of the Energy Globe Awards, in Espoo Finland, in his capacity as Chairman of the Global Chamber Platform (GCP), Mr. Christoph Leidl, together with the United Nations Industrial Development Organizations (UNIDO), the Club of Rome and the Energy Globe Foundation signed a Declaration of Intent in order to foster the implementation of the principles of a Circular Economy.

The main objective of this declaration is to be able to increase the promotion and to boost the implementation of circular economy globally, through sustainable solutions that



come from within the global business community on a voluntary basis. These solutions could be shared and promoted effectively where this is in the interest of a given national/regional business community, and opens another avenue for business engagement on an important issue on the agenda of Global Leaders.

The signing of this Declaration of Intent by the Chairman followed due to the importance that GCP respondents have consistently attached to circular economy and the opportunities this can bring to business throughout the last editions of our annual GCP global economic survey.

CACCI Endorses Three Policy Papers During the Dhaka Conference



The CACCI Council at its meeting on November 27, 2019 in Dhaka endorsed the three policy papers reviewed by the Working Group on Policy Advocacy during its meeting held earlier on the same day.

The three papers included the following:

- a. Paper on “Special Economic Zones: Why is it Timely to Have a Fresh Look at the Concept and How?”, prepared for CACCI by the Economic Policy Research Foundation of Turkey (TEPAV), the Think Tank of Union of Chambers and Commodity Exchanges of Turkey (TOBB)
- b. Paper on “Greater Emphasis on Skills Development and Availability”, prepared for CACCI by the Wellington Chamber of Commerce
- c. Paper on “Overcoming Tensions Between ‘Buy Local’ Policies and Campaigns and the Wider CACCI View of Liberal Trade and Investment” prepared for CACCI by the Wellington Chamber of Commerce”

Hereunder are highlights of the above-mentioned papers.

Paper on “Special Economic Zones: Why is it Timely to Have a Fresh Look at the Concept and How?”

Unlike twenty-years ago, presently CACCI members are faced with an opportunity that needs to be seized which would ensure their economic growth and prosperity in the long run. This opportunity, stems from China’s changing production structure as well as its contest to replace the U.S. as the decision-maker in trade agreements. Combined with these, the MNCs’ willingness to relocate their value chains to other countries, preferably in the same region, have made this opportunity a reality.

Going forward, CACCI members would benefit the most from striving to increase their presence and share in GVCs. Yet, relocation of GVCs, or better yet, a country’s attractiveness for this relocation has more to do than having cheap labor in the destination country. Aside from cheap production capabilities, research shows that the potential destination country for GVC relocation needs to provide both horizontal and targeted policies so as to become an enticing option.

As a response to these expectations, SEZs offer the best possible way of finding success in all lanes and in a comparatively shorter time. As important, these SEZs have the potential to be attuned to the targets set in SDGs, hence becoming even more



attractive to 21st century phenomenon that is the ‘conscious consumer’ while also providing employment opportunity to not only to locals but to the immigrant population as well. In this regard, Jordan Compact and Ethiopian Jobs Compact, as specified above, can offer to examples as to how a framework for a similar undertaking can be devised for CACCI member states.

As it stands, CACCI can play an active role in promoting, both among its members and globally, the role SEZs can play if correctly positioned within GVCs. By this way, CACCI would not only allow for improved economic conditions in its member states by paving the way for them to reach their potential, but also would set a global example that adheres to human rights and development goals. Among others,

1. CACCI can establish a Trade Facilitation Center aimed at information dissemination and capacity-building for CACCI member countries.
2. CACCI can take an active role in becoming the operator company for the SEZs.
3. CACCI can play a pioneering role in carrying-out research activities to assess the optimal ways in which intra-CACCI connectivity can be established, border-crossings can be modernized, and regulations and standards can be streamlined.
4. CACCI can play a pioneering role in establishing an internet-based SME market and help with developing CACCI-member state specific e-trade schemes.
5. CACCI can play a pioneering role in identifying the skills-set of immigrants that could potentially be employed in the SEZs established by CACCI countries so as to optimize skills and job matching.

Paper on “Greater Emphasis on Skills Development and Availability”

Countries need to continually improve and refine their vocational education systems to stay relevant as technology advances and labour force demands change. Government and chambers of commerce play a vital role to ensure this constant evolution improves outcomes for students and gives certainty of a skills pipeline to business.

Vocational education enables greater economic freedoms for workers by giving them transferable skills they can use to advance their careers. Lifelong learning ensure they remain up-to-date and employers have access to increasingly productive

CACCI Endorses Three Policy Papers During the Dhaka Conference

employees

A well-functioning vocational education system is a partnership between students, employers, education providers and the government. Each has a critical role to play, with communication between them all the key. Establishing feedback loops which ensure students are receiving learning relevant to today's workplaces is essential.

Students and their parents deserve clear and objective information on which to make their study choices. Students should know before they invest significant time and money into courses what prerequisite courses are required, what their qualification will give them, and their likely employment prospects.

Engaging workers in lifelong vocational learning, particularly older workers, allows for any catch-up literacy and numeracy skills to be incorporated into the curriculum.

Paper on "Overcoming Tensions Between 'Buy Local' Policies and Campaigns and the Wider CACCI View of Liberal Trade and Investment"

To varying degrees, Chambers of Commerce (Chambers) have advocated for the liberalisation of international trade as well as supported Buy Local policies in their respective countries. This is for good reason, because buying local supports local business directly, while liberal trade allows businesses to access overseas markets freely and fairly.

These two concepts may seem conflicting, but Chambers in the Confederation of Asia-Pacific Chambers of Commerce &

Industry (CACCI) network can and should be supportive of both. Business has the right to operate competitively in their own home market and while bring free to reach opportunities in overseas markets.

The underlying concepts of Buy Local and liberalised trade are representative of two different stages of a businesses' life-cycle. The Buy Local campaigns support small businesses at the beginning, while supporting liberal trade helps local businesses expand and reach overseas markets.

However, there is another juxtaposing issue that should be considered – the responsibility of business to take climate action. Chambers and businesses need to actively respond to consumer concerns about business impacts on our climate and environment. Through the 2019 Chambers Climate Coalition, of which 2,100 Chambers have signed, we have a mandate and commitment to act.

Given the commitments made under the Chamber Climate Coalition, we ought to consider environmental impacts and climate action alongside tensions between Buy Local and liberal trade and investment.

Business cannot stay 'traditional', and Chambers of Commerce cannot simply draw a line between localism and globalism. We must support local business and liberal trade at the same time, and we have proven that they can work together – not only to continue generating business growth, but also competition and a market where companies need to innovate and think to meet future challenges to stay relevant.

CACCI Opens Corporate Membership Category

The CACCI Council during its 91st Meeting held on November 27, 2019 in Dhaka, Bangladesh endorsed the recommendation of the CACCI Advisory Board to implement the proposal of CACCI President Mr. Samir Modi to create a new membership sub-category for Corporate Special Members.

As an incentive for corporations to apply for membership, CACCI will offer a 20% discount on the membership fee if payment for two-years is made in advance.

Interested members may contact the CACCI Secretariat at www.cacci.biz for Membership Application Form or for more details.



CACCI Invited to Attend the ARISE Plus Roundtable Discussions on Trade Facilitation and NTBs

The ASEAN Regional Integration Support from the EU (ARISE) Plus has invited CACCI to attend the 4th ARISE Plus Roundtable Discussion and the Roundtable Discussion on NTBs in ASEAN Between the Private Sector and the ASEAN Trade

Facilitation Joint Consultative Committee (ATF-JCC) scheduled to take place on January 21 and January 22, respectively, in Bangkok, Thailand.

The ARISE programme is a technical cooperation facility funded by

the EU. The aim of ARISE is to support the implementation of key regional initiatives prioritised in the Master Plan for ASEAN Connectivity, to support greater economic integration in ASEAN to build the ASEAN single market and production base through

the implementation of the ASEAN Economic Community Blueprint 2025.

The objective of the 4th ARISE Plus Roundtable Discussion is to bring together ASEAN institutions and private sector representatives to discuss in an informal setting on increased private sector engagement in ASEAN and state-of-play of ASEAN Trade Facilitation initiatives, i.e., the ASEAN Trade Repository (ATR), the ASEAN Solutions for Investments, services and Trade (ASSIST), and the e-Platform for Consultations with the Private Sector, as well as issues related to the implementation of the so-called ASEAN Non-Tariff Measures (NTMs) Guidelines, particularly on advance notifications (Principle 3 of the NTMs Guidelines and Regulatory Impact Assessments (RIAs) of NTMs (Principles 1 and 5 of the NTMs Guidelines), and to any other issues of relevance vis-à-vis the realization of the ASEAN Economic Community (AEC).



project.

CACCI is being invited to the Roundtable Discussions as an Associate Member of the Joint Business Councils (JBCs) of the ASEAN-BAC. As Associate Member, CACCI is invited to attend regular meetings of the JBCs for dialogues and exchange of ideas on how to improve regional cooperation and will have the opportunity to provide inputs to the recommendations that the ASEAN-BAC will present to the ASEAN Leaders.

The Roundtable Discussion on NTBs in ASEAN Between the Private Sector and the ASEAN Trade Facilitation Joint Consultative Committee (ATF-JCC) is organized by the ASEAN Business Advisory Council (ASEAN-BAC) and the EU-ASEAN Business Council (EU-ABC), in cooperation with the ATF-JCC and ARISE Plus, with the support of the EU and the ARISE Plus

New Zealand Chambers of Commerce Offers to Host 2021 CACCI Conference



The New Zealand Chambers of Commerce has formally offered to host the 35th CACCI Conference in Christchurch in May 2021.

The offer letter was presented to the CACCI Advisory Board during its meeting in Dhaka, Bangladesh held in conjunction with the 33rd CACCI Conference on November 26-27, 2019. The letter was signed by Michael Barnett, Chairman of the New Zealand Chambers of Commerce and Industry, Mr. John Milford, Chief Executive of Wellington Chamber of Commerce, Ms. Leeann Watson, Chief Executive, Canterbury Employers' Chamber of Commerce, and Mr. Dougal McGowan, Chief Executive, Otago Chamber of Commerce.

In their offer letter, the above-mentioned chamber leaders pointed out that New Zealand is the host of APEC 2021. "We believe there is an opportunity to host the CACCI Conference to run parallel with APEC 2021, with associated activities and meetings, in particular, the opportunity to host the CACCI Conference alongside the May 2021 APEC Ministers Responsible for Trade Meeting in Christchurch," the chamber



leaders said. According to them, the Chamber has already presented the idea of hosting the 35th CACCI Conference to the New Zealand Ministry of Foreign Affairs and Trade (leading the APEC 2021 organization), who have expressed their support for the proposal to host the Conference.

The CACCI Advisory Board submitted the NZCC proposal to the 91st CACCI Council Meeting in Dhaka, which unanimously endorsed it.

The New Zealand Chambers of Commerce and Industry, which is one of the founding members of CACCI, has hosted two CACCI meetings in the past – the 11th CACCI Conference in November 1986 in Rotorua, and the 53rd CACCI Council Meeting in April 1996 in Wellington.

A Planning Committee Meeting will be held later this year to discuss preparations for the May 2021 CACCI Conference in Christchurch. Members will be advised as soon as the meeting date and venue are finalized.

Product & Service Councils

Asian ICT Council

ICT spending in India may zoom to \$144 billion by 2023: Report



Information and communications technology (ICT) spending in India is estimated to grow at a compounded annual growth rate (CAGR) of 7.2% to \$144 billion by 2023, from \$101 billion in 2018, according to data and analytics company GlobalData, driven by an increase in adoption of IT services across various industries.

The services segment is estimated to account for nearly 52% of the overall ICT spending by the same period. The Indian IT industry continues to be one of the fastest growing globally, according to GlobalData, as it transitions from enterprise servicing to becoming an enterprise solutions provider.

Sunil Kumar Verma, Lead ICT Analyst at GlobalData, said “Strong adoption of emerging technologies such as social media, mobility, analytics and cloud (SMAC), artificial Intelligence (AI) along with favorable government policies which envision ‘Digital India’, are the key driving factors fostering this growth.”

Enterprises across sectors are focusing on digital transformation work like cloud-workload migrations, business process automation and upgrading their legacy IT infrastructure.

“With core industry verticals in India such as energy, manufacturing and construction aligning their business model with an IT-driven approach, the spending is bound to grow in the coming years,” Verma added.

Overall ICT spending in the services segment is estimated to be around \$24 billion during 2018-2023. The spending on hardware is expected to be \$ 10 billion and software/applications is estimated to be around \$8.4 billion during the same period.

“An increasing number of enterprises are adopting the agile business operating model and are striving to achieve a healthy mix of IT adoption spend and cost rationalization initiatives. This ensures that the demand for IT services will further continue in the coming years,” Verma said.

ETech

Food & Agriculture Council

Mock meat merchants smell \$16bn opportunity in Asia-Pacific



Fake meat was a hot commodity in the U.S. in 2019. In 2020, all the ingredients are in place for the imitations to show up on more Asian tables, too.

Stateside, in 2019 brought the release of Impossible Foods’ plant-based Impossible Whoppers at Burger King, as well as the listing of rival Beyond Meat on the Nasdaq stock market. With less fanfare, Asian fast-food chains and food processing companies have been cooking up their own strategies to tap an Asia-Pacific meat substitute market that Euromonitor International expects will hit \$15.8 billion in 2020.

Industry players smell opportunity for a few reasons: a perception that consumers are growing more health conscious, heightened awareness of greenhouse emissions from cattle farms and the meat industry, and the devastating outbreak of African swine fever in China.

Rising “consumer awareness” of the United Nations’ Sustainable Development Goals -- which include “responsible consumption and production” -- is fueling the expansion of the market, observed Seiichi Kizuki, a research director at the Mitsubishi Research Institute. He added that a “rise in health consciousness [coupled] with the region’s economic growth is another motivation”

for Asian consumers to opt for meat substitutes.

In Japan, major meat processor Itoham Foods is preparing to introduce Japanese-style Hamburg steak and fried chicken derived from soybeans in February. The subsidiary of Itoham Yonekyu Holdings is aiming for so-called flexitarians, who occasionally eat meat but generally avoid it.

Edible oils company Fuji Oil Holdings opened a restaurant in Osaka in September that only serves plant-based dishes, such as lasagna. Its mock meat is made with defatted soy bean. “It is attracting Asian tourists visiting Osaka, including strict Buddhists who cannot eat most Western foods,” a spokeswoman said.

Fuji Oil has high expectations for demand for soy protein as a substitute for meat. The Osaka-based company has invested about 2.4 billion yen (\$22 million) to start production in Chiba Prefecture, near Tokyo, in July 2020. This will double its production capacity from the current 9,000 tons a year. Mock meat is making its way into Asian fast-food joints as well.

Mos Burger, run by Japan’s Mos Food Services, started selling Mos Impossible Burger in Singapore in December. The plant-based patties were developed by Impossible Foods. Mos has been gauging the customer response but was hoping to sell 20,000 burgers by the end of 2019 and planned to add them to its regular menu soon.

In Taiwan, meanwhile, the Japanese chain offers an alternative burger made with Beyond Meat. The group is thinking about expanding its mock meat lineup to other countries.

Nikkei Asian Review

Young Entrepreneurs Group of Asia Pacific

Facebook to open office in Turkey’s Bursa to discover young entrepreneurs

Social media giant Facebook is preparing to open offices in eight Turkish provinces. The first office will

Product & Service Councils



begin operating on Jan. 13 in the southern Marmara province of Bursa. The aim of the social media company is to find young entrepreneurs on the digital platform.

Bursa Chamber of Commerce Chairman Özer Matlı, who is also a board member of the Union of Chambers and Commodity Exchanges of Turkey (TOBB), recalled that Facebook decided on opening new headquarters in seven cities around the world.

As part of this plan, the social media platform will inaugurate eight branch offices in cooperation with the TOBB and Habitat Association, a non-governmental organization that works in the field of sustainable development. Istanbul has been designated as the headquarters of Facebook's Turkey operations that will include joint projects by the TOBB and Habitat.

The first Facebook branch in Turkey will be open in Bursa next week

with the aim of providing new digital opportunities for young entrepreneurs, Matlı said. He also confirmed that they have signed a protocol with a university in Bursa to help young people develop business models based on digitalization projects.

Daily Sabah

Asian Tourism Council

Mongolia to hold camel festival to promote tourism



Mongolia will hold its annual camel festival in the southern province of Umnugovi in March, in an effort to attract more tourists, local government said on January 8.

With the support of the Mongolian Ministry of Education, Culture, Science

and Sports, the event will be held for the 23rd year on March 6-8 in the city of Bulgan, it said in a statement.

According to the event's organizer, the event aims to promote winter tourism while passing on the camel culture to future generations and encouraging herders to increase the animal's population.

The festival will include several activities, including camel racing, camel polo and a trade fair featuring camel products.

According to the National Statistical Office of Mongolia, there were over 70.09 million livestock animals in the country as of the end of 2019, of which 0.7 percent were camels.

Among the all 21 provinces of Mongolia, Umnugovi ranked first in terms of camel population.

2020 is a special year for Mongolia's tourism sector. The Asian country has set a goal of receiving 1 million foreign tourists and earning 1 billion U.S. dollars from tourism in 2020.

In the first 11 months of 2019, the country received a total of 549,756 foreign tourists, up by over 10 percent year-on-year, according to the tourism ministry.

Xinhua

Investment & Joint Ventures in the Region

Eslite eyes expansion into Southeast Asia



Eslite Spectrum Corp chairwoman Mercy Wu announces the results of Eslite Bookstore's annual report on reading behavior in Taipei.

Eslite Spectrum Corp, which runs the Eslite bookstore chain and other

businesses at home and abroad, is mulling opening new outlets in Southeast Asia, although bookstore operations remain unprofitable, said chairwoman Mercy Wu.

The Taipei-based conglomerate is studying the possibility of making inroads in Southeast Asia in line with plans to strengthen its cultural innovation business, including 50 bookstores in Taiwan, Hong Kong, China and Japan, Wu said.

"Today, profitability continues to pose the biggest challenge for Eslite as it turns 30 years old this year," Wu told a news conference in Taipei, while announcing the bookstore chain's annual report on reading behaviors and market trends.

The company has identified 100 sources of losses, but has yet to find a profitable business model, she said, adding that no enterprise in the world can live off

running bookstores as its core operation.

Eslite Spectrum also runs department stores and restaurants, and sells appliances and equipment for hotels, restaurants, kitchens and wine cellars.

Malaysia appears the most likely venue, as 25 percent of its population is ethnic Chinese, making expansion easier, Mercy Wu said.

Hopefully, the bookstore chain can cast off its "unprofitable" shackles to prolong its existence, Mercy Wu said, adding that she is to keep the passion for cultural business alive.

Eslite Spectrum reported that consolidated revenue increased 18.14 percent year-on-year to NT\$4.31 billion in the first 10 months of this year.

In the first three quarters, net income fell 29.31 percent to NT\$184.01

million, or earnings per share of NT\$3.88, company data showed.

Taipei Times

CPC opens office in India, plans to set up joint petrochemical factory



CPC President Lee Shun-chin

State-run oil supplier CPC Corp., Taiwan opened a representative office in New Delhi as part of its plans to set up a plant in India and forge ties in the petrochemical industry here.

At the opening ceremony, CPC President Lee Shun-chin said the New Delhi office was symbolic of the company's efforts to establish a presence in India in support of Prime Minister Narendra Modi's "Make in India" policy.

In addition, Lee said, CPC's decision reflected the Taiwan government's New Southbound Policy that promotes exchanges with the Association of Southeast Asian Nations (ASEAN), South Asian countries, Australia and New Zealand in a bid to reduce Taiwan's economic reliance on China.

With the establishment of CPC's representative office in New Delhi, the company will be able to forge cooperation with businesses in India's petrochemical industry, Lee said.

CPC is currently in negotiations with the government-owned Indian Oil Corp. to jointly set up a US\$800 million plant in India to produce propylene derivatives, he said.

Propylene derivatives, which are usually used in the production of a wide range of items such as acrylic resin and

raw materials for computer monitors, are in short supply in India, according to Lee.

With India's huge population and fast-growing economy, demand for propylene derivatives is expected to rise sharply, he said.

During a visit to India's Ministry of Commerce and Industry, Lee and a delegation from CPC's investment division said the company was willing to bring Taiwan's petrochemical product development technology to the South Asian country to boost bilateral economic exchanges.

Lee said he envisioned an expansion of CPC's business in India and diversification of its product portfolio under Taiwan's New Southbound Policy and Modi's Make In India initiative.

Commenting on the CPC investment, Tien Chung-kwang, Taiwan's de facto ambassador to India, said it turned a new page in relations between Taiwan and India.

Taiwan Times

SoftBank in talks to sell stake in Indian renewable energy venture: ET



SoftBank Group Corp is in talks to sell a majority stake in its renewable energy joint venture in India as it looks to raise cash after facing setbacks to its global investments, India's Economic Times daily reported.

SoftBank's Indian renewable energy business is a joint venture with India's Bharti Enterprises and Taiwan's Foxconn Technology Group.

The Japanese technology giant has been in talks with sovereign wealth and pension funds from the Far East and Gulf regions, as well as some Silicon Valley technology giants, the report said, citing people in the know of the matter.

It is considering options including a sale of its entire 70% stake or a majority stake in the renewable energy venture, the paper reported.

However, the chief executive officer of SoftBank's global energy business denied any plans of exiting the renewable energy business in India.

"As part of business strategy, we review all options to raise external capital, including strategic investments, from time to time," CEO Raman Nanda said in an email statement to Reuters. "There is absolutely no plan to exit from the business."

The report of the stake-sale talks comes as SoftBank faces renewed investor scrutiny after being forced to bail out one of its best known portfolio companies, the cash-burning, office-sharing firm WeWork, for about \$10 billion last year.

This has put a spotlight on founder Masayoshi Son's strategy of pouring billions of dollars into unproven, money-losing startups at a time when it is getting squeezed by a sell-off in many of its listed bets.

Its bailout effort for WeWork appeared to have complicated after talks to secure \$3 billion from Japan's three biggest banks stalled, Reuters reported last month.

The ET report said SoftBank was looking at a partner that can provide equity commitments of \$1.5 billion to \$2 billion to execute and complete a pipeline of 7 gigawatts of renewable energy projects around the world.

SoftBank's Indian clean energy venture won its first solar plant order in 2015, the year when India, the world's third-largest carbon emitter, set an ambitious target to ramp up solar power capacity by five times to 100,000 megawatts by 2022.

Reuters

Economic Cooperation News

Taiwan, Vietnam ink new version of bilateral investment pact: Taiwan Ministry

Taiwan and Vietnam have signed a new version of a bilateral investment agreement (BIA) to provide better protection for Taiwanese investors in the Southeast Asian nation, the Ministry of Economic Affairs said.

Taipei and Hanoi first signed a BIA in 1993, but as economic exchanges have increased significantly in the past 26 years, the original accord needed to be revised to better protect the rights and interests of Taiwanese companies operating in Vietnam, the ministry said.

The BIA was signed on Wednesday by Representative to Vietnam Richard Shih and Vietnam Economic and Cultural Office in Taipei Director Nguyen Anh Dung.

The BIA includes a clause to ensure that Taiwanese and Vietnamese investors enjoy equal treatment in each other's countries, as well as a performance requirement prohibition clause, which bars Vietnamese authorities from demanding that Taiwanese firms comply with local content requirements.

The new pact has an investor-to-state dispute settlement mechanism to facilitate negotiations between Taiwanese investors and the Vietnamese government. If the disputes cannot be resolved in six months, they would be able to resort to international arbitration.

When Taiwanese investors encounter investment obstacles, the Taiwanese government would also be able to negotiate with its Vietnamese counterpart for assistance in removing the hurdles, the

ministry said.

Taiwan signed new BIAs with the Philippines and India in 2017 and last year respectively, and it is in talks with other countries covered by the New Southbound Policy to sign new BIAs, Minister of Economic Affairs Shen Jong-chin said.

Taipei Times

Mobile payment firms join Cross-Border Alliance

LINE Biz+ Taiwan Ltd and iPass Corp announced that they would be forming a cross-border mobile payment alliance with four regional peers: Japan-based Line Pay Corp, Thailand-based Rabbit Line Pay Co Ltd, and South Korea-based Naver Corp and NHN Payco Corp.

The collaboration would enable the companies' 78 million users to make electronic payments at stores that accept Line Pay, Naver Pay, Payco or Rabbit Line Pay, LINE Biz+ Taiwan said.

"We noticed that Japanese, [South] Koreans, Thais and Taiwanese visit each other's countries frequently. Our cooperation would save them time and trouble with foreign exchanges," the firm said.

That would benefit the payment operators' partnered stores as well, as they would be able to market their products or services to more clients, it said.

LINE Biz+ Taiwan and Naver Pay have partnered with more than 164,000 stores in Taiwan and 250,000 stores in South Korea respectively, while other payment operators also have abundant corporate clients, as they are popular among customers, LINE Biz+ Taiwan marketing business head Vincent Yeh told

a news conference in Taipei.

Customers would not need to download new mobile apps or register another app, as the apps offered by the six operators would be connected automatically, LINE Biz+ Taiwan said.

For instance, Taiwanese would be able to purchase goods in South Korea using Line Pay at stores that accept Payco or Naver Pay after scanning a QR code with their mobile phones, while South Korean or Thai tourists could pay in Taiwan using their own mobile payment services, the firm said.

Like overseas credit card spending, customers would need to pay a handling fee for each overseas transaction, but LINE Biz+ Taiwan and iPass would negotiate with banks to reduce the handling fee, iPass senior assistant vice president Wang Jiun-ping said.

Unlike credit cards, Taiwanese using electronic payment services would only pay in New Taiwan dollars when making purchases abroad, Wang said, adding that the service would automatically convert the currencies at the real exchange rate.

The service would be launched in Taiwan for travelers from Japan, South Korea and Thailand in the first quarter of next year, while people traveling from Taiwan to the three countries would need to wait longer to use the service, Wang said.

NHN Payco, the only company among the four not affiliated with Naver, expects to attract more foreign clients through the alliance, while it has an advantage in offline marketing compared with its counterpart Naver Pay, director Choi Myung-hwan told the Taipei Times.

Taipei Times

Technology

Japan to develop app that can detect if foreign nationals' residence cards are fake

The government will develop a smartphone app to easily identify if residence cards, which are issued to foreign

nationals, have been forged in an attempt to crack down on visa law violations, government officials have said.

The app, intended for potential employers of foreign workers, will read data stored in the IC chip embedded in the cards and confirm whether the data

matches information listed on the cards such as name and residential status.

The government aims to introduce the app by the end of 2020, the officials said.

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Fairs & Exhibits in Asia-Pacific

DATES 2020	NAME OF FAIR (Further Information)	COUNTRY	DATES 2020	NAME OF FAIR (Further Information)	COUNTRY
3-6 Feb.	Medlab Middle East (Informa Markets, Email: medlabme@informa.com, URL: https://www.medlabme.com/en/home.html)	Dubai U. A. E.	13-15 Feb.	Water Today's WATER EXPO (Water Today Pvt. Ltd., Tel: 91-44-4291-6900, Email: info@watertoday.org, URL: https://waterexpo.biz/)	Chennai (Madras) / India
4-5 Feb.	AgroFarm 2020 (DLG International GmbH, Tel: 7-495-128-2959, Email: g.mindru@dlg.org, URL: http://www.agrofarm.org/)	Moscow Russia	18-19 Feb.	FinTech & Blockchain 2020 Tokyo (Nikkei Business Publications, Inc., Tel: 81-3-6811-8083, Email: d-inov@nikkeibp.co.jp, URL)	Tokyo Japan
5-6 Feb.	TECH Biz EXPO 2020 (Nagoya International Trade Fair Commission, Tel: 81-52-735-4831, URL: http://www.techbizexpo.com/)	Nagoya Japan	18-21 Feb.	Inbound Market Expo 2020 (Japan Management Association / Japan Hotel Association / Japan Ryokan & Hotel Association / Japan Restaurant Association / Japan Tourism Facilities Association, Tel: 81-3-3434-1377, Email: ime@jma.or.jp, URL)	Tokyo Japan
5-7 Feb.	Propak Philippines 2020 (informa markets, Tel: 65-6233-6688, Email: jeffrey.au@informa.com, URL)	Manila Philippines	19-20 Feb.	EduTECH Philippines 2020 (Terrapinn Holdings Ltd., Tel: 65-6222-8550, Email: enquiry.sg@terrapinn.com, URL)	Pasay Philippines
5-7 Feb.	MONTAGE (INIT INC., Tel: 81-505307-5853, Email: inabamontage-express.jp, URL: https://montage-express.jp/)	Tokyo Japan	20-22 Feb.	GITF (Hannover Milano Fairs China Ltd., Tel: 86-20-8626-696, Email: grace.liang@hmf-china.com, URL: http://www.gitf.com.cn/en/)	Guangzhou China
6-9 Feb.	Agroexpo 2020 (Orion Fair Services, Tel: 90-5331-342067, Email: international@orionfair.com, URL: https://en.agroexpo.com.tr/)	Izmir Turkey	20-23 Feb.	Motobike Istanbul 2020 (Messe Frankfurt Istanbul, Tel: 90-216-384-5050, Email: info@turkey.messefrankfurt.com, URL)	Istanbul Turkey
6-9 Feb.	Education & Careers Expo 2020 (Hong Kong Trade Development Council, Tel: 852-1830-668, Email: exhibitions@hktcdc.org, URL)	Hong Kong China	21-23 Feb.	PAPS 2020 (PAAPAM, Tel: 92-42-3749-8474-5, Email: headoffice@paapam.com, URL: http://www.paps.pk/)	Lahore Pakistan
6-9 Feb.	BASIS SoftExpo 2020 (Bangladesh Association of Software and Information Services, Tel: 880-96-1232-2747*111, Email: event@basis.org.bd, URL)	Dhaka Bangladesh	21-24 Feb.	Life Instyle Sydney 2020 / Kids Instyle Sydney 2020 (Reed Exhibitions Australia Pty Ltd., Tel: 61-2-9422-8686, Email: info@lifeinstyle.com.au, URL)	Sydney Australia
11-14 Feb.	Aquatherm Moscow (Reed Exhibitions Russia, Tel: 7-495-937-6861, Email: aquatherm@reedexpo.ru, URL: https://www.aquatherm-moscow.ru/en-gb.html)	Moscow Russia	25-28 Feb.	12th Erbil International Building (Pyramids Fair Group International, Tel: 90-539-835-95-97, Email: marketing@pyramidsfair.com, Inquiry Form , URL)	Erbil Iraq
11-16 Feb.	Singapore Airshow 2020 (Experia Events Pte Ltd., Tel: 65-6542-8660, Email: enquiries2020@singaporeairshow.com, URL)	Singapore Singapore	26-28 Feb.	HortEx Vietnam 2020 (Minh Vi Exhibition & Advertisement Services Co., Ltd., Tel: 84-28-3848-8561, Email: info@veas.com.vn, URL)	HoChiMinh City/Vietnam
12-14 Feb.	3rd Care Technology (Boutiques, Inc., Tel: 81-3-6303-9801, Inquiry Form , URL: http://caretech.jp/eng/)	Tokyo Japan	26-28 Feb.	2nd Aerospace Technology & Components Expo (Reed Exhibitions Japan Ltd., Tel: 81-3-3349-8506, Email: Aerotech-tokyo@reedexpo.co.jp, URL)	Chiba Japan
12-15 Feb.	IPF 2020 (Chan Chao International Co., Ltd., Tel: 886-2-2659-6000, Email: exfdp@chanchao.com.tw, URL: https://www.chanchao.com.tw/IPF/)	Dhaka Bangladesh	27-29 Feb.	Lifestyle Turkey (Federal Fuar ve Kongre Yonetimi, Tel: 90-212-7061089, Email: info@lifestyleturkey.net, URL: http://lifestyleturkey.net/)	Istanbul Turkey
12-15 Feb.	13th Tehran International Tourism Exhibition (Tehran International Trading & Exhibition Corporation, Email: info@titexgroup.com, URL)	Tehran Iran			



The number of foreign residents has been increasing every year, reaching some 2.83 million at the end of June last year, up from about 2.03 million at the end of 2012, according to the Immigration Services Agency.

The number of arrests resulting from holding or using forged residence cards has been rising too, reaching 620 in 2018, 1.6 times higher than the previous year, according to police.

A residence card lists the carrier's information including name, birthday, nationality, residence status and period of stay.

Forged residence cards are often used to get jobs other than those permitted by the type of visa held or to remain in the country beyond the permitted period. In some cases, they are used to sign housing loan contracts.

While the hologram on the surface of the cards has been counterfeited, so far there has been no case of the IC chips being faked, the agency said.

The envisaged app would allow a residence card's IC chip to be read just by holding a smartphone over the card. The government has earmarked some ¥130 million (\$1.2 million) in its extra budget for the current fiscal year for development costs.

The agency has already made public the specifications for devices to read data on the cards' IC chips, but few companies have introduced scanning devices due to the difficulty of developing them on their own.

The agency hopes that small and midsize companies will utilize the new app when they hire foreign workers.

More foreign nationals are expected to live in Japan under a new visa system launched in April last year to cope with a labor shortage.

Japan Times

Global 5G rollout to focus on standalone mode: MIC

The global 5G rollout would next year slowly focus on employing the standalone mode of 5G New Radio (NR) technology, the Market Intelligence & Consulting Institute (MIC) said as it released a report on the top 10 network and communication trends for 2020.

While more than 50 telecoms around the world have set up 5G networks using the non-standalone mode of 5G NR technology, which is supported by existing 4G infrastructure, the standalone mode would become more prominent as more next-generation technologies — such as smart manufacturing, smart healthcare and smart transport — come into play, MIC research director and senior industry analyst Lee Chien-hsun said in the report.

Lee said that China's three biggest telecom operators, China Telecom Corp, China Mobile Ltd and China United Network Communications Group Co Ltd,

South Korea's SK Telecom and KT Corp, and the US' Verizon Wireless Inc, AT&T Inc and T-Mobile US Inc, are all set to launch 5G NR standalone deployments in 2020r.

2020 would also be a turning point for global smartphone shipments, MIC said, predicting that shipments of 5G smartphones would rise to 260 million units, as consumers look to replace their 4G smartphones, and increase further to 540 million units in 2021.

The institute also predicted growth in shipments of semiconductors, radio frequency components, heat dissipation parts, printed circuit boards, passive components, antennae and DRAM, along with upgrades of 5G device components.

As the Chinese market is set to dominate with its sheer number of 5G users, Taiwanese and Japanese suppliers stand to benefit from the situation, as a trade spat between China and the US has hampered supplies from both countries, the report said.

Shipments of high-speed network switches are likewise set to grow, along with demand for high-performance computing and edge computing, MIC said, adding that new 5G related applications include low-latency cloud gaming, augmented reality, virtual reality, vehicle-to-everything communication and smart manufacturing.

The mid-band spectrum that operates between the 1 gigahertz and 6 gigahertz frequencies would also become a strong focus for 5G services, as it offers a middle ground while still providing good speed and coverage, the report said.

Taipei Times

Policy Updates

Cambodia

Kingdom's Continued Real Growth

The Central Bank has predicted that the Kingdom's real economic growth will be maintained at an average 7 percent with the inflation rate of 2.3 percent in 2020, according to the National Bank of

Cambodia's (NBC) Macroeconomic and Banking sector update 2019 and outlook for 2020.

The NBC says that the forecast for the economic growth is based on the projection of the recovery of the global economy which will contribute to a favourable climate for exports, foreign direct investments, and the tourism sector while Cambodia's economy can also take

a lot of advantages on its diversified-based growth and comprehensive reform to support sustainable development.

"Exports are expected to grow high, especially the exports of travelling bags and other manufacturing products. Although, the exports of garments will slow down," NBC's report said.

"Although the EU may decide to withdraw the EBA [Everything but Arms

Policy Updates

trade deal] from Cambodia in February 2020, the exports of the garments from Cambodia is expected to grow because the full withdrawal EBA process will become effective and implemented six months after the decision is made,” the report added.

It said that Cambodia will still export to the EU but the EBA preferential status may be removed. The NBC added that the loss of the EBA will just increase the value of Cambodia’s export products to the European Markets because of tariffs of around 0.1 percent to 12.5 percent according to the types of products.

Khmer Times

India

World Bank pegs India’s Growth for FY20 at 5%

The World Bank cut India’s growth for financial year 2020 to 5% from 6% estimated earlier, a day after the country’s statistics office pegged growth in the current financial year at 5%, the lowest in 11 years.

The multilateral lender expects the country’s growth to recover only slightly to 5.8% in the next fiscal year.

The bank’s Global Economic Prospects report released on Wednesday cited a lingering weakness in credit from non-banking companies (NBFCs) as the main cause for the downgrade.

This is the slowest growth forecast since the 3.1% rate recorded in financial year 2008-09 when the global financial crisis had derailed the economy.

The World Bank’s latest update is also in line with the Reserve Bank of India’s October policy estimate in which it slashed the economy’s expected growth to 5% this fiscal year.

Global economic growth, is expected to rise to 2.5% in the current calendar year, underpinned by a gradual recovery in investment and trade from last year’s significant weakness, although downward risks persist, the report said.

Growth in advanced economies is likely to slip to 1.4% in calendar year 2020, in part due to softness in the manufacturing sector. Growth in the US is expected to

ease to 1.8% due to tariff increases, while weak industrial activity will bring down the Euro region’s growth to 1% this calendar year, the report said.

On the other hand, growth in the emerging markets and developing economies is expected to accelerate this year to 4.1%. However, this rebound is not broad-based as the assumed improvement in performance is likely to come from a small group of large economies.

“With growth in emerging and developing economies likely to remain slow, policymakers should seize the opportunity to undertake structural reforms that boost broad-based growth, which is essential to poverty reduction,” said World Bank Group Vice President for Equitable Growth, Finance and Institutions, Ceyla Pazarbasioglu.

The Economic Times

Japan

Japan to keep Pushing Coal in Developing World Despite Criticism



Japan will continue providing backing to new coal-fired power projects in developing countries, a government source said Monday, despite international efforts to move away from fossil fuels that are responsible for climate change.

“There is a need for coal-fired power generation, mainly from developing Asian countries where demand for energy is surging,” the source said. “We’re not planning to review our (infrastructure) export policy.”

Tokyo’s infrastructure export strategy stipulates that Japan will “in principle provide aid to install cutting-edge power generation facilities upon requests from countries as long as they are compelled to choose coal as their source of

energy.”

The government says it remains committed to coal due to it being a cost-effective power generation solution, and that new technology installed in place of aging, less efficient power stations can help countries reduce their overall emissions.

The government maintains that renewable energy sources remain too unreliable and expensive, despite their wide-scale uptake around the globe and significant, ongoing reductions in their cost.

During a U.N. climate conference currently being held in Madrid, Japan received a disparaging “Fossil of the Day” award from international environmental group Climate Action Network after the country’s industry minister spoke about a plan to continue using coal-fired power.

U.N. Secretary General Antonio Guterres has called on countries to halt construction of new coal-fired plants from 2020, leading to expectations that Environment Minister Shinjiro Koizumi could voice a shift in Japan’s position on coal in a speech scheduled for December 11.

In June, the government-linked Japan International Cooperation Agency signed an agreement with Bangladesh to extend a loan of up to ¥143.1 billion (\$1.3 billion) for a coal-fired power generation project in the South Asian nation.

“We’ve been providing funding in line with government policy. That will continue to be the case,” said a JICA official.

In April, the Japan Bank for International Cooperation, another government-linked institution, sealed an accord to offer a loan of up to \$1.2 billion to fund a Vietnamese coal-fired power generation project.

The Vietnam loan is co-financed with other banks and covered by insurance from Nippon Export and Investment Insurance, funded by the government using taxpayer money.

Coal-fired power plants were singled out as the largest contributor to the growth in emissions observed in 2018, according to the International Energy Agency.

The Intergovernmental Panel on Climate Change, a U.N. panel that

assesses the science and provides guidance on how to deal with the impending crisis, has pointed out the need for renewables to provide 70 to 85 percent of global power supply by 2050.

It has recommended all but ending coal-fired power generation, to minimize impacts of global warming such as sea level rise and intensified weather events.

On Dec. 3, however, Economy, Trade and Industry Minister Hiroshi Kajiyama told a news conference in Tokyo, “As options (for an energy mix), we would like to keep coal-fired power plants and power plants using fossil fuels.”

Japan’s reliance on fossil fuels for power generation has increased as most of its nuclear power plants remain idle, following the 2011 triple meltdown in Fukushima Prefecture that was triggered by a massive earthquake and tsunami.

Kajiyama also said at the news conference that the government would make an effort to increase renewable energy and reduce carbon dioxide emissions as it propels the development of technology.

Japan Times

South Korea

South Korea Announces \$51bn Infrastructure Spend Ahead of Elections

South Korea plans to pour billions of dollars into developing public infrastructure in a stark U-turn for President Moon Jae-in’s administration, which is struggling to boost growth despite low interest rates and a record fiscal stimulus.

Seoul will increase spending at state-run institutions by 12 per cent to Won60tn (\$51.2bn) this year, with the bulk of the money set aside for infrastructure building and housing construction, the finance ministry said on Wednesday.

Mr Moon, a popular leftwing leader, had ruled out using the property market to “artificially” boost the economy ahead of his election in 2017. However, he is now under growing pressure to revitalise



South Korean president Moon Jae-in

the economy ahead of new polls in April.

Asia’s fourth-largest economy is expected to record its weakest annual growth in a decade when it reports 2019 data later in January. It has been hit by a downturn in the global memory chip market, the US-China trade war and China’s economic slowdown.

“A shift in policy is under way as the government has become more desperate to boost growth ahead of the election,” said Paul Choi, a strategist at CLSA. “We are likely to see more changes in where the government spends money as it remains questionable how big an impact fiscal stimulus so far has had on job creation and economic growth.”

Private spending and job creation have remained weak in South Korea, despite the Moon administration’s stimulus efforts.

The government had already committed to an 8 per cent increase in budget spending for 2020 compared with last year, while interest rates are at a record low of 1.25 per cent. Yet, economists expect last year’s growth in the export-driven economy to come in at 2 per cent after 13 consecutive monthly declines in its overseas shipments.

Previous governments relied heavily on infrastructure spending for economic growth. However, Mr Moon’s administration until now had focused on increasing spending on welfare payments and job creation in the public sector for fear that additional construction spending could boost property prices and widen inequality.

The South Korean economy is forecast to grow 2.4 per cent this year, helped by rebounding prices of memory chips, the country’s biggest export item.

Financial Times

Malaysia

Malaysia targets RM155 billion in Direct Taxes this year



Finance Minister, Lim Guan Eng said that the government expects to collect RM155 billion in direct taxes this year, a 5% increase from 2019.

Noting that the government collected RM145.08 billion from direct taxes last year, Guan Eng said that the sum was almost 6% – or RM8 billion – more than the amount collected in 2018.

“Last year’s sum was a new record for the country, bettering the previous record of around RM137 billion set in 2018,” he said during the sidelines of the Inland Revenue Board’s ‘meet the customer’ event today.

“Apart from showcasing effective leadership, the increase in taxes also showed that the economy is growing well,” he added.

Lim said that LHDN would continue to implement efficient tax laws to improve the effectiveness of the agency’s enforcement activities in dealing with the shadow economy, which was at around 20% of Malaysia’s gross domestic product (GDP).

With the shadow economy in developed nations and developing nations set at around 5% and 12% respectively, the minister said the issue was one his officers were fully aware of.

“20% is very high,” he said. “When we talk about shadow economy, we’re talking about corruption, smuggling, that kind of unreported income.

“We had to fill up a RM150 billion hole from the previous government. You can imagine that when you have leadership by example, and they see the ones at the top taking, the others will follow suit. This is

something we have to address.”

Free Malaysia Today

Taiwan

Taiwan's exports grow for 2nd straight month in December



Taiwan's exports for December 2019 rose from a year earlier for the second consecutive month with the electronics sector in traditional peak season seeing an increase in shipments, the Ministry of Finance (MOF) said.

Data compiled by the ministry showed Taiwan's exports rose 4.0 percent from a year earlier to US\$29.50 billion after a 3.3 percent year-on-year increase in November.

On a month-to-month basis, Taiwan's outbound sales also rose 3.2 percent in December, the data indicated.

The MOF said the country's imports for December rose 13.9 percent from a year earlier to US\$26.99 billion with a trade surplus of US\$2.50 billion, down US\$2.17 billion from a year earlier.

In the fourth quarter of last year, Taiwan's exports hit a new quarterly high of US\$87.06 billion, up 1.9 percent from a year earlier on the back of strong shipments of tech gadgets boosted by peak season effects.

However, Taiwan's outbound sales for 2019 fell 1.4 percent from a year earlier to US\$329.34 billion as the country's exporters felt the pinch from falling global demand as a result of trade disputes between the United States and China in the year, the MOF said.

Imports for the whole year totaled US\$285.86 billion, up 0.4 percent from a year earlier with a trade surplus of US\$43.48 billion, down US\$5.74 billion from a year earlier, the MOF added.

According to Tsai, Japan suffered

a 4.5 percent decline in the first 11 months of last year, while South Korea, Singapore and Hong Kong registered a 10.3 percent, 6 percent and 6.9 percent decline, respectively.

In December, Taiwanese electronics component makers posted US\$10.44 billion in exports, up 11.9 percent from a year earlier as semiconductor makers, which are the backbone of the electronic components industry, enjoyed a 14.2 percent year-on-year increase to rake in US\$9.39 billion in outbound sales on the back of solid global demand, the MOF said.

Information, communications and video/audio device makers saw exports rise 15.1 percent from a year earlier to US\$4.07 billion also in the wake of peak season effects, MOF added.

However, old economy industries still felt the pinch from global trade friction in December, largely registering a fall in exports in December, which limited growth in the month, according to the ministry.

Exports of base metals, machinery, plastics/rubber items and chemical products fell 6.1 percent, 7.6 percent, 9.3 percent, and 12.8 percent, respectively, from a year earlier to US\$2.37 billion, US\$2.08 billion, US\$1.86 billion and US\$1.52 billion in December, the data showed.

The MOF said China and Hong Kong remained the largest buyers of Taiwan's merchandise valued at US\$12.23 billion in December, up 6.2 percent from a year earlier. This accounted for about 41.5 percent of Taiwan's total outbound sales, and the growth was largely on the back of rising demand for Taiwan's electronics components and transportation equipment.

The Association of Southeast Asian Nations came second with exports to the bloc at US\$4.44 billion, down 3.5 percent from a year earlier, followed by the United States (US\$4.20 billion, up 12.9 percent), Europe (US\$2.73 billion, down 3.4 percent), and Japan (US\$1.97 billion, up 5.5 percent), the MOF said.

For 2019, Taiwan's exports to China and Hong Kong fell 4.1 percent from a year earlier to US\$132.23 billion, making them the largest buyers of Taiwanese exporters, ahead of the ASEAN bloc (US\$53.92 billion, down 7.2 percent), the

U.S (US\$46.27 billion, up 17.2 percent), Europe (US\$29.78 billion, down 4.8 percent), and Japan (US\$23.29 billion, up 2.1 percent), the MOF added.

Focus Taiwan

Thailand

Thailand's Board of Investment Offers Incentives to Enhance Human Resource Development and Support Educational Institutions



Students get hands-on experience at KMITL's Robotics Laboratory in Bangkok (PRNewsfoto/Thailand Board of Investment (B))

The Thai government has launched the economic vision known as Thailand 4.0 and a series of strategies to support the Eastern Economic Corridor or EEC, a digital hub of Southeast Asia covering three provinces outside Bangkok. To achieve the vision, Thailand will need to fill 475,000 new jobs by 2023 in the EEC alone. This will require a bachelor's degree or higher and the rest increasingly sophisticated vocational skills.

In addition, to become a fully developed nation by 2035, Southeast Asia's second largest economy realized it, too, must leapfrog from traditional manufacturing into the innovation age and become a hub for artificial intelligence, robotics, biosciences, aerospace and other new pillars of what is frequently termed the world's fourth industrial revolution.

Thailand's government therefore merged four separate government departments into a new Ministry of Higher Education, Science, Research and Innovations, which aims to work closely with the private sector in Thailand and overseas to increase research and human resource development (HRD).

Meanwhile, Thailand's Board of

Policy Updates

Investment (BOI) is offering additional tax incentives to companies engaged in HRD. Companies investing in the establishment of education and vocational training institutes specializing in science, technology, engineering and mathematics -- the so-called STEM subjects -- will be granted five years corporate income tax exemption.

The BOI also offers so-called SMART visas that enable foreign investors and their families, as well as key talent in business, science and education, to enjoy privileges that include residing in the country for up to four years without needing to obtain a work permit.

BOI also struck an agreement

with Thailand's Research Universities' Network, comprising eight of the country's leading research schools, to improve R&D information sharing. The agreement is aimed at stimulating collaboration in private sector demand-driven R&D activities, co-operative education programs and high-skilled workforce recruitment.

PR Newswire

Vietnam

Five Energy deals signed

Electricity firm EVN has signed five new deals to buy electricity from Laos

starting in 2021, the state-run company said. The southeast Asian nation faces severe power shortages from 2021, as demand outpaces construction of new plants, with demand expected to exceed supply by 6.6 billion kilowatt-hours (kWh) in 2021, and 15 billion kWh in 2023. Pacts signed in Hanoi over the weekend with Laos' Phongsavath and Chalong Sekong groups provide for EVN to buy electricity from five hydropower plants, beginning in 2021 and 2022, EVN said. The plants have combined capacity of 363 megawatts.

Taipei Times



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