



# CACCI Profile

Confederation of Asia-Pacific Chambers of Commerce and Industry

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## New Year's Message from the President

*I am pleased to convey to all CACCI members and friends a very Happy New Year. May the incoming 2016 bring you continued success and prosperity in all your undertakings.*

*As we usher in the New Year, I believe it is an opportune time for us to take stock of our accomplishments in the year just ended with the view to building on them in order to make our Confederation even more relevant to our members in the year ahead.*

*I am particularly pleased that last year's 29th CACCI Conference took place in Hong Kong. It served as an occasion for our hosts from Kowloon Chamber of Commerce to showcase the business opportunities that global metropolis of Hong Kong offers to businessmen from region. The enthusiastic participation of delegates from 22 countries reflected the growing influence of CACCI as a regional organization, thanks to the continued commitment and dedication of CACCI officers and members.*

*We also organized highly successful visits to Bangladesh, Belarus, China, and Australia that provided the delegation the opportunity to strengthen ties between CACCI and government officials and businessmen of the host countries, seek their support for the Confederation and its activities, and further raise CACCI's profile in the region.*

*CACCI was also well represented in many regional and international events, including the 9th World Chambers Congress in Torino, the B20 Forum in Antalya, the 4th Business Leaders Conference in Kunshan, China, and in the various meetings of the International Business Advisory Council under the B20, the ICC World Chambers Federation, and the Eurochambers. We also took a prominent role in the launching of the Silk Road Chamber of International Commerce of which I was appointed Vice Chairman.*

*Our membership roster has expanded with the admission of the Azerbaijan CCI as the newest Primary Member, and of 20 new Lifetime Special Members from six countries. We also signed a Memorandum of Understanding with the Ukrainian CCI outlining possible areas of cooperation between the two organizations*

*Moving on to the incoming 2016, I 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. I also hope to see all of you at the 30th CACCI Conference in Taipei, Taiwan, which marks the 50th Anniversary of our Confederation. 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.*

*May each one of us have a successful and bountiful year ahead!*

**Jemal Inaishvili**  
President, CACCI

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# Nominations now open for CACCI Awards 2016

**T**he Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) announces the launching of the following awards: 7th CACCI Local Chamber Awards 2016; 6th Asia Pacific Young Entrepreneur Award; 1st Asia-Pacific Women Entrepreneur Award; and 2nd Hydropower and Clean Energy Excellence Award. These awards will be presented at the 30th CACCI Conference in Taipei to be held during the last quarter of the year. CACCI is requesting all primary members to submit their nominations.

## The 7th CACCI Local Chamber Awards



The 7th CACCI Local Chamber Awards seeks to recognize local chambers for their achievement in providing services to its members and to the community where its members operate.

The award is intended to encourage local chambers to strive for excellence in delivering services to their members by adopting useful and practical projects and programs to assist their constituencies. It aims to offer incentives to local chambers not only to render outstanding service to their community and to the business sector but also to help promote the economic development of the community and provide employment to the people. It also enables CACCI to bring awareness of its programs to the grassroots– to the local chambers and their members.

The award shall be given in two categories– big local chambers and small local chambers. Big local

chambers are defined as those chambers with membership of more than 200, while small local chambers are defined as those chambers with membership of 200 or less.

The award in each category shall be determined by outstanding achievements in terms of services to own members and to community, and the chambers' participation in CACCI projects and activities. All entries shall be evaluated and assigned weighted grades on the basis of the above criteria, and the grading shall be on scale from 1 (lowest) to 10 (highest).

## The 6th Asia-Pacific Young Entrepreneur Award



Inaugurated in 2006 to commemorate the 40th anniversary of CACCI, the Asia Pacific Young Entrepreneur Award – which is presented every two years – aims to honor excellent young entrepreneurs in the Asia Pacific Rim who are not only successful in their business, but also advocate corporate social responsibility for the good of their country.

The award is open to female or male entrepreneurs below 45 years of age, nominated by any CACCI primary member. The nominee must be engaged in his/her country-based or international-based profit organization and actively involved in a business-related non-profit organization or in a CACCI primary member country's activities. He or she must exercise excellence in entrepreneurial and business leadership, and must be regarded in his or her country with integrity and known for practicing good business ethics.

## 1st Asia-Pacific Women Entrepreneur Award

The Asia-Pacific Women Entrepreneur Award is a project of the CACCI Women Entrepreneur Council (CWEC) under the Confederation of Asia-Pacific Chambers of Commerce and Industry.

The Award aims to recognize excellent women entrepreneurs in the Asia-Pacific rim who not only are successful in their business but also advocate corporate social responsibility for the good of their country. Conferred every two years by CACCI in conjunction with the CACCI Conference, the Award is open to women entrepreneurs nominated by any CACCI Primary Member.

## 2nd Hydropower and Clean Energy Excellence Award

Initiated by the CACCI Asian Council on Water, Energy and Environment (ACWEE) which is under the chairmanship of Nepal, the 1st Asia-Pacific Hydropower and Clean Energy Excellence Award is presented by CACCI in recognition of the person or institution that has contributed significantly to the sustainable promotion, support and development of hydropower and clean energy in the Asia Pacific region.

The nominees could be individuals (entrepreneurs, subject specialists/experts, researchers, academicians, advocates/activists, independent power producers, inventors, media personnel, bankers, authors) or institutions (private organization, public corporation/agency, financial institution, research institution, civil society organization or media agency) in the energy industry. To be conferred annually, this award is an encouragement to recognize their efforts and to honor them for encouraging further endeavors.

For a complete list of criteria, rules and nomination process, email the CACCI Secretariat at [cacci@cacci.biz](mailto:cacci@cacci.biz) ■

## President Inaishvili invited as speaker at the Silk Road International Forum in Hong Kong



*The First Silk Road International Investment Forum and the inauguration of the Silk Road Chamber of International Commerce (SRCIC) was held on December 9-10 2015 in Hong Kong.*

CACCI President Mr. Jemal Inaishvili served as panelist in Session One of the Silk Road International Investment Forum on December 10, 2015 in Hong Kong. The Forum was held in conjunction with the launching of the Silk Road Chamber of International Commerce (SRCIC).

During the session, Mr. Inaishvili shared his thoughts on the topic “Silk Belt & Road Opportunities for International Business.” Hereunder are excerpts from his presentation:

“As the world’s most ancient economic and cultural exchange route, Silk Road has historically played irreplaceable role in fostering international trade between the East and West.

“Silk Road and Belt” initiative, or as it is often called “One Belt, One Road”, creates enormous opportunities for businesses within the concept of Public Private Partnership and individual private investment projects throughout the region and beyond. The large part of this initiative, and there are already concrete steps taken in this direction, is the support of the development of east-west trade network stretching from China to Central Asia, across the Caspian to the South Caucasus, Turkey, and the rest of Europe.

“The initiative aims to promote orderly and free flow of economic factors, highly effective allocation of resources and deep integration

of markets by enhancing connectivity of Asian and European continents. The projects related to the initiative are open to embrace all countries, as well as international and regional organizations, and to seek common prosperity. The plan has been established on the principles of openness and co-operation, harmony and inclusiveness, market

operation and mutual benefits, emphasizing policy coordination, connectivity, unimpeded trade, financial integration and people-to-people bonds.

“I am sure you are aware that the government of the People’s Republic of China (PRC) has established the US\$40-billion Silk Road Fund with the aim of improving trade, driving investments in infrastructure and boosting connectivity across the regions. This is in addition to the establishment of Asia Infrastructure and Investment Bank (AIIB). Presumably, the large amount of funding from these institutions will go to building roads, railways, ports and other logistics infrastructure in the region to meet growing demands of trade and investments in the countries along these routes. This infrastructure includes creation of high-speed multi-modal container transit routes, along with advanced technological implementations such as electronic exchange of information, simplification of border crossing procedures and reduction of transportation time.

“As I said earlier, development of Silk Road Economic Belt project creates vast opportunities for businesses from around the world. Of course China, as the major initiator of the project can and will offer a lot in terms of financing, planning and building the infrastructure that is so vital for the development of trade in the region. But without a doubt more International

financial institutions will be involved in numerous associated projects and there will be lots of room for business initiatives.

“Apart from being CACCI president, I am a Georgian businessman and throughout my business career I was concentrated on shipping and logistics in the South Caucasus, Central Asia and Turkey which are one of the main parts of the envisioned New Silk Road that will connect China with Europe. All over the years I have traveled extensively in this region and I know quite well about business opportunities and government support in those countries. With this new initiative there is certainly a different environment that will bring up all related projects to the new levels. Georgia is situated along one of the routes of the New Silk Road and some developments have already taken place with this regard.

“For example, quite recently transportation of a new container block train was organized from China to Georgia and the distance through Central Asia and Caspian Sea was covered in 9 days. In the future this will be one of the routes that could bring cargoes from China to Europe.

“Another example is the project to build the new deep sea commercial port on the Black Sea in Georgia. The project is approved by the Georgian government and currently the bidding process of International business groups interested in the implementation is underway. The contractor will be revealed soon and it is envisaged that the implementation of the project will start next year. The contractor will be committed to build the port and adjacent infrastructure. This will create a lot of opportunities for logistics companies, engineering and construction companies, suppliers of various equipment and financial institutions to join in the development of new transport infrastructure on various stages.

“The new infrastructure will certainly serve as one of the branches of Silk Road and Belt and contribute to overall success of the project.” ■





**絲綢之路國際總商會**  
Silk Road Chamber of International Commerce

**C**ACCI President Mr. Jemal Inaishvili adds another hat to his growing list of officership positions in international organizations, this time as Vice Chairman of the newly launched Silk Road Chamber of International Commerce (SRCIC).

Mr. Inaishvili's appointment was formally made during the launching of the SRCIC on December 20, 2015 in Hong Kong. The SRCIC organizers cited Mr. Inaishvili for his "great contribution to the promotion of the

## President Inaishvili appointed Vice Chairman of newly-launched SRCIC

Silk Road revival and international culture, trade and exchanges."

Mr. Inaishvili congratulated the organizers for the successful launching of SRCIC, and thanked them for appointing him as Vice Chairman of the Chamber. "I believe that the SRCIC will greatly facilitate the participation and investment of the business sector – particularly those from the Asia-Pacific region - in the 21st Century Silk Road. I am therefore thankful to you for giving me the opportunity to play a role in this regard by appointing me as Vice Chairman of the SRCIC," Mr. Inaishvili said.

Expressing his support for the newly-launched initiative, Mr. Inaishvili told the organizers: "I and the Confederation of Asia-Pacific

Chambers of Commerce and Industry (CACCI) certainly look forward to working closely with you and the other SRCIC officers and members in helping the newly-launched organization achieve its objectives. With mutual support and cooperation, I am confident that our two organizations will be able to accomplish a lot in promoting economic growth of countries not only those covered by the SRCIC initiative, but in the Asia-Pacific region as a whole".

The SRCIC is a newly-established international, non-governmental organization that aims to promote the renaissance of the Silk Road and to enable business participation in the investment and trade opportunities it offers. ■

## CACCI signs MOU with Investelligence Group

**T**he Confederation of Asia-Pacific Chambers of Commerce and Industry has signed a Memorandum of Understanding (MOU) with Investelligence Group Pte Ltd.) in which the two organizations agree to set up an exclusive strategic partnership to promote and facilitate cross-border direct investments, partnerships, and business cooperation between CACCI members and other business enterprises.

The formal signing took place on December 14, 2015 in Tbilisi, with CACCI President Mr. Jemal Inaishvili and Investelligence Group Ltd. President Mr. Petr Panov as signatories.

Investelligence Group Ltd. Is the electronic investment platform for the Center for Investment Technology and Trade (CITT). Founded through the participation of the Chamber of Commerce and Industry of the Russian Federation (CCIRF)- a CACCI Primary Member - the CITT is a worldwide platform designed to aid the selection of, and to invite investments into, specific innovative projects.

Geographically, CITT focuses upon ensuring the interaction of the Russian business community with the countries of the Asia Pacific Region. CITT seeks to enable innovative methods in sourcing and attracting investments into the prospective projects. These solutions, together with extensive contacts within the global business community, guarantee the complete fulfillment of project support, all the way from partner search, to project implementation.

Under the MOU, CACCI agrees to: (a) Promote Investelligence solution to its members; (b) Invite Investelligence representatives to participate in their forums, conferences, seminars, business missions, etc.; (c) Assist Investelligence representatives with setting up meetings with chambers of commerce and industries, business associations, government representatives, and individual members in CACCI member countries; and (d) Insert a link to Investelligence website on CACCI website as its strategic partner organization.



For its part, Investelligence commits to: (a) Provide the online solution for CACCI members to post, seek, review, qualify, and select partners and investment projects; (b) Regularly enrich/upgrade content and functionalities of the online solution; (c) Communicate and distribute its online solution to CACCI members; (d) Provide training to CACCI members and local distribution partners in implementing the online solution; (e) Provide technical and client support to CACCI members in implementing the online solution; and (f) Offer CACCI members special terms and conditions upon signing up on Investelligence solution.

Both organisations have agreed to set up a Steering Committee to: (a) Build an implementation roadmap including timeline and milestones; (b) Regularly review progress; and (c) Share and propose ways to improve Investelligence online solution. ■

# Market experts expect a volatile 2016

By Grace Leong, *Straits Times*

**Deck: Key factors that will affect market performance are China's growth and impact of interest rate hike**



Shoppers in a supermarket in Beijing. Mr Manish Singhai of Lazard Asset Management is unperturbed by China's sluggish growth, saying that there is a "gradual but very meaningful move in the composition of the economy" with consumption taking off.

If investors are hoping 2016 would be a smooth sailing one for the markets, they could be in for an unpleasant surprise.

Some of the top minds in investment and finance here are predicting that 2016 could see further volatility, with equities and bonds potentially seeing sluggish returns.

Chief investment officers (CIOs) of several big investment firms said recently that the answer to how markets could perform in 2016 lies in two key questions.

One, will China be able to get a grip on falling growth rates? The other, said CIOs at a roundtable organized by the Investment Management Association of Singapore, is how an interest rate hike could impact economic fundamentals like inflation.

Growth in China is likely to come in just a shade under 7 percent in 2015. In 2016, some forecasters are tipping

Chinese growth to slow to about 6 percent, the weakest in 17 years.

But Lazard Asset Management managing director for Asian equities, Mr Manish Singhai, remained unconcerned. He said that part of the dislocation in China arises because it is trying to move away from the investment-led growth model.

"What we are seeing in China is a gradual but very meaningful move in the composition of the economy... Consumption has taken off in China. A lot of discretionary items have become staples there. Once you start using diapers, you can't go back to using cloth nappies," he said.

Mr John Doyle, chief investment officer, equities and multi-asset, at UOB Asset Management, said he sees opportunities in China but investors have to "be much more careful".

Another key event that could influence markets in 2016 is the interest

rate hike, announced on December 16 by the US Federal Reserve.

Most analysts expect next year's rate hike cycle to be shallow, given the potential backlash of strong dollar appreciation and a weak global economy on US growth and exports.

On this front, the experts believe that asset classes have already priced the rate hike in.

"Corporates that have exposed positions in terms of dollar borrowings have hedged out a lot of the risk. There may be surprises, but we are ready for it," Mr Doyle said.

One surprise is that the rate hike could actually be coming too late, with a surge in inflation something that few people are preparing for, said Ms Shirin Ismail, head of absolute return investment strategies, Fullerton Fund Management.

One region that could remain a bright spark is South-east Asia.

The Asean Economic Community will come into force in 2016 and investment gurus are watching the region very closely. Asean will become a viable alternative over the next five to 10 years, especially as China's export competitiveness wanes, Mr Singhai noted.

Japanese and Chinese investors are recognizing this opportunity and seem to be keen on investing in infrastructure projects around the region, he said.

## A LONG, HARD WINTER

"I think 2016 is going to be a very difficult year for global investors, with the possibility that all three major asset classes - bonds property and equities - will provide negative returns. What concerns me the most is deflation, which is lurking in many places despite quantitative easing. Winter is coming, and it may be a long, hard winter." - Mr. David Foord, chief investment officer, Foord Am

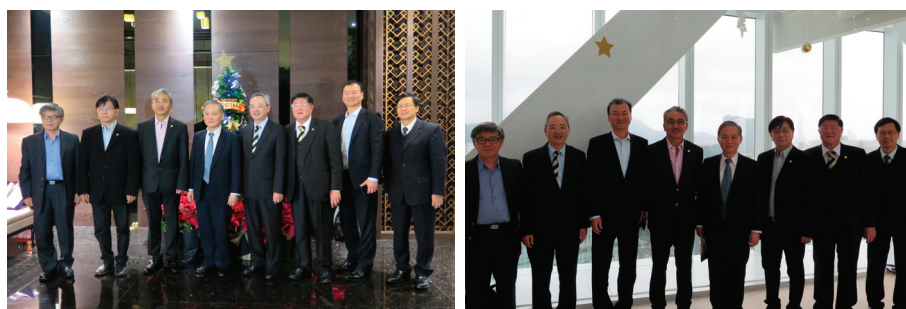
## U.S. ECONOMY THE KEY FACTOR

"One thing that will define 2016 is the US economy. I think the US

*Continued on page 6*



## CACCI Highlights



**CACCI hosts luncheon for KCC delegates** - CACCI Director General Amb. Victor CY Tseng hosted a lunch for Kowloon Chamber of Commerce (KCC) delegates led by Chairman Conrad Lee on December 25, 2015 in Taipei. The KCC delegation was in Taipei to hold meetings with the Ministry of Education, National Chengkung University (NCKU), Hong Kong Economic Trade and Cultural Office and the National Association of Young Entrepreneurship, ROC for a joint event with NCKU in the second half of 2016. CTBC Vice Presidents Mr. Ernest Lin and Kenneth Yu joined the luncheon and gave the delegates a tour of the new CTBC Financial Park.



**KCC Chairman receives plaque of appreciation from Taiwan MOE** - Kowloon Chamber of Commerce Chairman Conrad Lee received a plaque of appreciation from Taiwan's Ministry of Education (MOE) in grateful recognition of his generous support to his alma mater, Fu Jen Catholic University (FJCU). Mr. Lee donated a sum of NT\$ 2.6 million. The awarding ceremony was held during the 90th anniversary celebration of FJCU on December 4, 2015 in Taipei.

## Chamber Personality

### Harshavardhan Neotia takes over as FICCI president



Harshavardhan Neotia, the Chairman of Ambuja Neotia Group, has taken over as the next president of the Federation of Indian Chambers of Commerce and Industry (FICCI) at the chamber's 88th Annual General Meeting held on December 19, 2015.

Operating through several companies, the Ambuja Neotia Group covers the entire spectrum of the real estate industry, including housing, hospitality, healthcare and education.

Mr. Neotia obtained B.Com (Hons.) from St. Xavier's College, Kolkata. Subsequently he completed the Owner President Management Program (OPM) from the Harvard Business School, USA.

Mr. Neotia was conferred with Padma Shri by the President of India in 1999 for his outstanding initiative in social housing. He was also honored with YPO Legacy of Honour Award in 2005.

## Market experts

... Continued from page 5

economy will be the largest factor for the global market throughout the year. Currently, I expect moderate growth will continue, but I feel both upside and downside risks, which should greatly affect the markets. Another thing to look out for... is the Chinese economy. It could have a relatively smaller impact than the US', but it's very important to

look at how the transition of China will proceed." – Mr. Kazuhiro Honjo, chief investment officer, Tokio Marine Asset Management International

### GLOBAL PICKUP

"After many years of economic slowdown, massive interventions from central banks, collapse of commodity prices including oil, depreciation of most of the currencies against the US dollar, I believe 2016 will be seen

as the year of a global pickup, both in terms of growth and inflation and a slow exit from quantitative easing programs in Europe and Japan, after the Fed has paved the way for this move. Undervaluation of many emerging currencies or markets should be seen as an opportunity to reinvest in these countries on a long-term horizon." – Mr. Philippe Jauer, chief investment officer, Amundi Singapore

■

## PRODUCT & SERVICE COUNCILS

### **Women Entrepreneurs Group** **HSBC says women entrepreneurs are more likely to be successful in Asia**



There's a multi-billion-dollar, maybe even trillion-dollar, opportunity brewing in the wealth management industry, especially in Asia, and it all comes back to women.

New research released by HSBC Private Bank in mid-December asserts that female entrepreneurs in Asia are more likely to become successful, compared to their Western counterparts. The research also found that self-made women in Asia start businesses on average five years earlier — when they're 29, instead of in their mid-thirties.

HSBC surveyed more than 2,800 global business owners worth more than \$1 million in August and September of this year. Nick Levitt, head of the Global Solutions Group at HSBC Private Bank, said in an interview that the bank is already using the data to build programs that better support entrepreneurs with the challenges that they face, including a lack of liquidity, since the net worth is often tied to startups. *Forbes*

### **Asian Council on Water, Energy and Environment**

### **Paris UN climate conference 2015: Countries strike grand deal to tackle climate change**

Nearly 200 countries have struck a landmark grand bargain on climate

change, agreeing for the first time to take action to curb greenhouse gas emissions.



After two weeks of grinding negotiations in Paris, nations signed off on the new deal that aims to stop the emission of heat-trapping gases into the atmosphere by the second half of the century.

The Paris agreement, which will come into effect in 2020, will require all countries, rather than just the wealthy ones, to tackle climate change. The deal says the world will aim to stabilize global warming well below two degrees above pre-industrial levels, and less if possible. *The Sydney Morning Herald*

### **Asia Tourism Council** **Russia crisis now threatens Turkey's winter tourism**

Many sectors have experienced a decrease in business at varying levels on the back of a recent crisis between Russia and Turkey, and the latter's winter tourism facilities are also experiencing repercussions, with hoteliers bemoaning reservation cancellations.



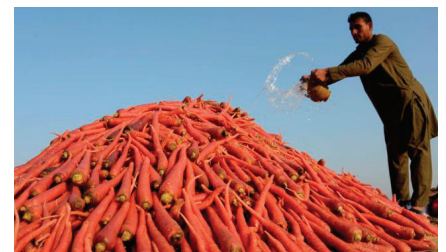
As New Year's Eve approaches, tourism facilities at Turkey's premier skiing spots, including Uludağ and Palandöken, have seen declining traffic in foreign arrivals as well as cancellations of reservations.

Mehmet Akkuş, the chair of

the Marmara Regional Board of the Turkish Association of Travel Agents (TÜRSAB), said more than 25 percent of all reservations made by Russian tourists in the Uludağ region have been canceled already.

After Turkey downed a Russian warplane over an airspace violation in late November, Moscow launched several restrictions on Turkey, resulting in deepening revenue losses in Turkey's tourism, agriculture and textile industries. While the media have focused on fewer visitors to the country's sea resorts in reporting the effects on the tourism sector, Turkey's winter tourism representatives are also complaining about effects from the diplomatic spat. *Today's Zaman*

### **Asian Council on Food and Agriculture** **World Trade Organization strikes 'historic' farming subsidy deal**



Countries in the World Trade Organization (WTO) have agreed to abolish subsidies on farming exports.

Developed countries agreed to stop the subsidies immediately and developing nations must follow by the end of 2018.

The WTO, which represents 162 countries, called it "the most significant outcome on agriculture" since the body's foundation in 1995.

But longstanding talks on other trade barriers were left unresolved at the end of the summit in Kenya.

Removing agriculture export subsidies is intended to help farmers in poorer countries to compete more fairly. *BBC News*



## ECONOMIC COOPERATION NEWS

### Beijing, Moscow seal more than 30 deals

China and Russia have signed more than 30 deals, with Premier Li Keqiang saying that production capacity and equipment manufacturing are two highlights of future cooperation between the two countries.

The deals were signed after the 20th China-Russia Prime Ministers' Regular Meeting in Beijing on December 17. The talks were co-chaired by Li and Russian Prime Minister Dmitry Medvedev.

Total value of the deals was not disclosed.

The two leaders said in a joint statement that reinforcing the relationship "will be a diplomatic priority for both sides". They said strengthening cooperation serves the interests of both peoples and meets the need to maintain regional and world peace and stability.

The documents signed cover fields such as energy, investment, finance, high-technology, customs, education and tourism. *China Daily*

### Push for Thai-Cambodia trade ties

Thai and Cambodian enterprises foresee greater opportunities to expand their investment in both countries after closer cooperation between the two nations, according to the Thailand-Cambodia Business Forum held at Dusit Thani Hotel in Bangkok on December 18.

The forum coincided with the official visit to Thailand of Cambodian Prime Minister Hun Sen to Thailand marking the 65-year diplomatic relationship between the two countries, and the meeting with his Thai counterpart Prayut Chan-o-cha.

At the forum, Hun Sen said Cambodia could be a manufacturing centre for Asia, as it had seen strong economic growth for several years. Cambodia also has a policy to support foreign direct investment (FDI),

particularly in value-added industry, and to encourage connectivity within the Greater Mekong Subregion and other international stages.

He said many Thai enterprises of all sizes could explore opportunities to invest in Cambodia. *The Nation*

### Crisis in Nepal delays accord with Bangladesh

A planned agreement between Nepal and Bangladesh to provide easier market access to each other's products has been delayed as the designated signers have not been able to travel to Bangladesh due to the current supply crisis.

As per the understanding reached between the two sides, Bangladesh will provide duty-free access to 108 Nepali products, most of which are agriculture-related. Most of them are agricultural products while some are manufactured goods. Nepal had sought duty-free access for 153 goods.

Likewise, Nepal has proposed to provide preferential treatment to 50 Bangladeshi goods. Bangladesh has been asking for duty-free access to 64 products, but Nepal has not made any decision so far, officials at the Ministry of Commerce and Supply said. Most of the items to which Nepal wants to give preferential treatment are fish products, medicines, potatoes and industrial goods.

"The accord was scheduled to be signed in mid-October at the secretary level, but the Nepali delegation has not been able to go to Bangladesh to do so," said Jib Raj Koirala, joint secretary at the Ministry of Commerce and Supply. *Kathmandu Post*

### Japan invests in Dawei Special Economic Zone

The multibillion-dollar Dawei special economic zone (SEZ) and related projects will go ahead at full scale after Japan on December 14 agreed to take a one-third equity stake in the associated special purpose vehicle (SPV) jointly set up by Myanmar and Thailand.

The deal was struck at the fifth Myanmar-Thailand Joint High-Level Committee Meeting that was attended by top officials from all three countries.

Japan's equity holding will be equal to Myanmar's and Thailand's.

The SPV currently has maximum registered capital of 100 million Thai baht.

Thai Deputy Prime Minister Somkid Jatusripitak said the Myanmar government had given top priority to the Dawei project since it would not only help Myanmar's economic expansion but also contribute to the prosperity of many other countries in the region, including Thailand.

Thailand is currently developing land-transport connectivity along the East-West Economic Corridors linking the country's Eastern Seaboard with the Dawei deep-sea port and industrial estates. *The Nation*

### Taiwan, India sign MOUs on business, technology cooperation

Taiwan and India have signed two Memorandums of Understanding (MOUs) on bilateral cooperation related to small- and medium-sized enterprises and information and communication technology, in New Delhi.

The two agreements were signed at a meeting on December 10 headed by Taiwan's Vice Economics Minister Shen Jong-chin and Amitabh Kant, secretary of India's Department of Industrial Policy & Promotion (DIPP).

In response to Indian Prime Minister Narendra Modi's "Make in India" plan to encourage more countries to invest in India's manufacturing sector, India hopes Taiwanese companies can help it build up its manufacturing sector, duplicating their experience in China.

With the inking of the two MOUs, Shen said he hoped it would help the development of small- and medium-sized enterprises in the two countries.

*Central News Agency*



## Global Chamber Platform, B20 agree on enhanced cooperation

The chairmen of the Business 20 Turkey (B20) and the Global Chamber Platform (GCP) met in Luxembourg on October 14 and in Antalya on November 14 to launch a framework of strengthened cooperation between these business platforms in fostering growth and employment. The B20 and GCP reflect the business community's role as the driver of strong, sustainable and balanced economic growth.

The B20 outreach group is an influential platform bringing together business leaders from G20 economies, and advocates for critical issues for enterprises. The GCP brings together the major national and transnational Chamber organizations from all corners of the globe and develops joint initiatives to facilitate economic cooperation and to promote free trade initiatives. By initiating cooperation between B20 and GCP, the voice of the business community will be strengthened and the profile be raised towards the G20 governments/community.

By establishing such cooperation, the B20 and the GCP will contribute to

increased public awareness of common interests and to facilitate exchanged between business communities from different countries. The objectives of such cooperation is to bring the perspective of the real economy and the views of enterprises- particularly small and medium-sized ones- to the global political level and to develop consensuses and coherent answers to the challenges of globalization.

Chairmen of B20 and GCP agreed to establish a new framework of mutual cooperation. They foresee a mutual involvement in the discussion and work of B20 and GCP, inviting GCP-members to participate in B20-Taskforces, and inviting B20-Presidency in annual GCP-Meetings.

### Business-20

The G20 has sought to incorporate policy contributions from an ever-broader cross-section of society, which are organized under five groups: Business 20, Labor 20, Civil 20, Think 20, and Youth 20.

The Business 20 (B20) outreach group is an influential platform

bringing together business leaders from G20 economies, and advocates for critical issues for enterprises. Each year, the B20's principal task is to facilitate exchanges between business communities from different countries and to develop consensuses around critical issues for businesses.

### Global Chamber Platform

The Global Chamber Platform (GCP) was launched in 2002 by the Eurochambres (Association of European Chambers of Commerce and Industry) to develop a coherent framework for Eurochambres and its relations with partner organizations around the world. The Eurochambres itself represents over 19 million enterprises in Europe through 46 members and a European network of 2,000 regional and local Chambers.

### CACCI's role in GCP

CACCI joined the GCP in October 2003 during the 11th Annual Congress of Eurochambres, where Mr. K. K. Modi, then CACCI President, was invited as one of the panelists.

Dr. Christoph Leidl, the current Chairman of GCP (and concurrently Honorary President of Eurochambres) addressed the Inaugural Session of the 20th CACCI Conference held in February 2005 in New Delhi. He was President of Eurochambres at that time.

The GCP usually holds its annual meeting in conjunction with the Annual Congress of Eurochambres. As GCP member, CACCI has always been invited to attend these annual meetings. CACCI President Jemal Inaishvili has represented the Confederation in these meetings over the past few years.

During their annual meetings, the GCP usually issues a statement on matters of concern to business. Drafts are sent to members for comments prior to their discussion at the annual meeting.

CACCI has also partnered with Eurochambres in conducting roadshow workshops – with the latest one held in Colombo and Manila in 2009 on current trends in the European chamber movement. ■

## PCCI urges companies to conserve water as climate changes

The Philippine Chamber of Commerce and Industries (PCCI) is urging Philippine corporations and small and medium enterprises (SMEs) to undertake water conservation initiatives amid climate change.

The PCCI made its call following the 2015 Paris Climate Change Conference which underscored the need for countries around the world to create their own plans on how they intend to cut greenhouse gas emissions caused by climate change.

Jesus Reyes, PCCI vice chairman and vice president-Corporate Affairs of Nestle Philippines Inc., said the 10 warmest years on record happened over

the last decade.

Reyes said the earth has been warming about one degree Celsius in the past 150 years and is projected to warm two to six degree Celsius in the next hundred years.

“What happens when you reach two degrees Celsius? There is more risk of coastal flooding, more risk of hunger because of the decrease in food, risk of malaria and risk of water shortage,” he said.

The Philippines, in its part to undertake climate change initiatives, is aiming to reduce its carbon emissions by 70 percent by 2030 from 2000 levels. *Philippine Star* ■



## INVESTMENT & JOINT VENTURES IN THE REGION

▲ **Apple, Samsung tap mobile payment potential in China** - Tech-savvy Chinese shoppers will have new options when paying for their loaded shopping bags this holiday season, as two top smartphone vendors are poised to launch mobile payment services in the country. Apple Inc and Samsung Electronics Co Ltd signed separate deals on December 18 with China UnionPay, the biggest bankcard association in China, introducing payment methods that will be simpler than rival mobile payment applications. Apple and Samsung users will be able to make purchases at brick-and-mortar stores across China using the companies' portal devices. Near-field communication function, a form of contactless communication between devices, is needed to conduct transactions, and the user's device must be linked to a UnionPay bankcard before use, according to China UnionPay. The service will be available on a wide spectrum of devices, from iPhones, iPads and Apple Watches to Samsung's high-end rollouts, the companies said. The service will not be available until 2016, subject to security tests and a certification process. *China Daily*

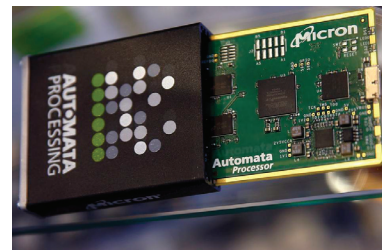


▲ **Japanese jam producer builds new factory in West Java** - Japanese jam manufacturer Sonton Holdings announced on December 16 that it had completed the construction of its factory in Cikarang, West Java. Sonton Holdings's PT Sonton Food Indonesia (SFI) president director Nobufumi Ohuchi said the group wanted to tap into the Indonesian market because of its huge potential. "Indonesia has a growing younger generation and positive economic growth despite the recent slowdown. We believe the huge population remains an essential factor for businesses to keep up with," Ohuchi told reporters on the sidelines of his factory visit. The Japanese market has reached maturity stage with 1 percent economic growth in 2015, largely because of its aging population. The population of 127 million declined by 0.16 percent. Meanwhile, the 256-million population of Indonesia, Southeast Asia's largest economy, has been growing by 0.92 percent annually. *The Jakarta Post*



▲ **Chip-maker Micron Technology to acquire Inotera** - Micron Memory Taiwan (MMT) is set to acquire all stakes in Inotera Memories Inc., the latter's board announced on December 14. MMT will acquire the

DRAM memory company for NT\$30 a share. Mark Durcan, CEO of U.S.-based Micron Technology, Inc., the parent company of MMT, said "the acquisition is the culmination of a highly successful seven-year partnership with Inotera." MMT already owns a 33-percent stake in Inotera, and will spend an estimated NT\$130 billion to acquire the remaining 67 percent. By then, the stock of Inotera will be delisted after the company becomes MMT's wholly owned subsidiary. Inotera CFO Peter



Shen said the price offered is sensible, and the deal is advantageous to the company's long-term development, shareholder rights and workforce interest. The two companies have signed a framework agreement and will ink the formal contract in 60 days. The deal will be carried out via share swap in accordance with the Business Mergers and Acquisitions Act. The deal is expected to be completed by the second or third quarter of 2016. *The China Post*

▲ **KFC to open first restaurant in Tibet** - Fast-food giant KFC is opening its first US-style fried chicken restaurant in early 2016 in a shopping mall in Lhasa, capital of the Tibet autonomous region. The two-story restaurant, which is under construction, will serve residents and tourists alike, said Yum Brands Inc, the parent company of KFC, Pizza Hut and Taco Bell. "The restaurant will incorporate local design elements, provide employment opportunities and support the development of the regional supply chain," a company representative said. Chen Biao,



a manager with the Lhasa Shenlishidai shopping center, said consumers in Tibet are likely to embrace KFC's fast food, a mix of its US-style dishes and others more in keeping with the traditional tastes of the Chinese consumer. "Before KFC chose to enter Tibet, we already had some fast food restaurants such as Dico's," Chen said, referring to the Chinese fast-food restaurant chain owned by the Ting Hsin International Group. "Consumers in Tibet accept fried chicken and hamburgers." The new KFC, which could open as early as January, should appeal to tourists in the city, which is growing as a renowned tourism destination, Chen said. *China Daily*

# FAIRS & EXHIBITS IN ASIA-PACIFIC

DATES 2016	NAME OF FAIR (Further Information)	VENUE		
3-5 Feb. 	<b>Tokyo Int'l Gift Show Spring 2016</b> (Business Guide-SHA, Inc., Tel: 81-3-3843-9851, Fax: 81-3-3843-9850, Email: n-haga@giftshow.co.jp, URL: www.giftshow.co.jp)	Tokyo Japan	13-17 Feb. 	<b>ELECHEMA – 2016</b> (Indian Electrical & Electronics Manufacturers Assn., Tel: 91-22-6660-5753, Email: elecrama@ieema.org, URL: elecrama.com) Bangalore India
4-6 Feb. 	<b>Int'l Istanbul Yarn Fair</b> (Tuyap Fairs and Exbns Org. Inc., Tel: 90-212-867-1100, Fax: 90-212-886-9399, Email: yarn@tuyap.com.tr, URL: www.istanbulyarnfair.com)	Istanbul Turkey	16-19 Feb. 	<b>Int'l Tourism Exbn.</b> (Tehran Int'l Trading & Exbn. Group, Tel: 98-21-2271-9540, Fax: 98-21-2271-9584, Email: negar@titexgroup.com, URL: www.titexgroup.com) Tehran Iran
4-7 Feb. 	<b>Auto Expo 2016</b> (Confederation of Indian Industry, Contact: Roy Jacob, Director, Tel: 91-124-401-4060, Email: roy.jacob@cii.in / rachna.jindal@cii.in, URL: www.autoexpo.in)	New Delhi India	18-20 Feb. 	<b>Re-Invest 2016</b> (FICCI, Tel: 91-11-2373-8760, Fax: 91-11-2372-1504, Email: reinvestexpo@ficci.com, URL: re-invest.in) New Delhi India
5-7 Feb. 	<b>Footwear &amp; Leather Fair</b> (Sri Lanka Export Development Board, Tel: 94-11-313-5741, Fax: 94-11-230-3025, Email: hdp@edb.tradenets.lk, URL: www.lankaleather.lk)	Colombo Sri Lanka	20-24 Feb. 	<b>Reed Gift Fairs</b> (Reed Exbns. Australia, Tel: 61-2-9422-8686, Email: louis.a.theobald@reedexhibitions.com.au, URL: www.reedgiftfairs.com.au) Sydney Australia
5-9 Feb. 	<b>Auto Expo – The Motor Show</b> (Society of Indian Automobile Manufacturers, Tel: 91-11-4710-3010, Email: delhimotorshow@siam.in, URL: autoexpo-themotorshow.in/index.aspx)	New Delhi India	24-26 Feb. 	<b>Natural Products Expo India</b> (Seishido Communications, Tel: 91-22-2841-0164, Fax: 91-22-2840-3310, Email: info@seishidocommunications.com, URL: www.naturalproductsexpoindia.com) Mumbai India
8-10 Feb. 	<b>BioAsia2016</b> (Secretariat, Tel: 91-40-3000-4005, Fax: 91-40-3000-4007, Email: info@bioasia.in, URL: 2016.bioasia.in)	Hyderabad India	24-28 Feb. 	<b>Kyunghyang Housing Fair</b> (eSang Networks Co., Ltd., Tel: 82-2-3397-0154, Fax: 82-2-3397-0067, Email: fair@e-sang.net, URL: www.khfair.com) Seoul Korea
8-12 Feb. 	<b>Int'l Exbn for Food, Beverages and Food Raw Materials</b> (Expocentre, Tel: 7-499-795-3799, Fax: 7-495-609-4168, Email: sup@expocentr.ru, URL: www.prod-expo.ru)	Moscow Russia	24-28 Feb. 	<b>Bangkok Gems &amp; Jewelry Fair</b> (Thai Gem & Jewelry Traders Assn., Tel: 662-630-1390, Fax: 662-630-1398, Email: info@bangkokgemsfair.com, URL: www.bangkokgemsfair.com) Bangkok Thailand
10-12 Feb. 	<b>Organic Expo</b> (NuernbergMesse GmbH, Tel: 49-911-8606-8179, Fax: 49-911-8606-8694, Email: info@biofach-world.com, URL: organic-expo.jp/en/index.php)	Tokyo Japan	25-28 Feb. 	<b>HK Int'l Fur &amp; Fashion Fair</b> (HK Fur Federation, Tel: 852-2367-4646, Fax: 852-2739-0799, Email: fur@hkff.org, URL: www.hkff.org) Hong Kong
10-13 Feb. 	<b>Anfas Food Product</b> (Antalya Expo Center, Tel: 90-242-462-2000, Email: info@anfas.com.tr, URL: www.anfasfoodproduct.com)	Antalya Turkey	25-29 Feb. 	<b>IndiaWood 2016</b> (PDA trade fairs, Tel: 91-80-4250-5000, Fax: 91-80-2554-2258, Email: Hannah@padtradefairs.com, URL: www.indiawood.com) Bangalore India
11-14 Feb. 	<b>WIN EURASIA Metalworking 2016</b> (Hannover Fairs Turkey, Tel: 90-212-334-6975, Fax: 90-212-230-0480, Email: ceyda.alp@hf-turkey.com, URL: win-metalworking.com/tr)	Istanbul Turkey	26-28 Feb. 	<b>Int'l Flora Expo</b> (Media Today Group, Tel: 91-11-2953-5593, Fax: 91-11-2953-5872, Email: ifloramtpl@gmail.com, URL: www.floraexpo.com) Pune India
12-15 Feb. 	<b>Int'l Building &amp; Construction Trade Event</b> (CODISSIA, Tel: 91-422-222-2396, Fax: 91-422-222-2131, Email: buildintec@codissia.com, URL: buildintec.codissia.com)	Coimbatore India	27-29 Feb. 	<b>BeautyAsia 2016</b> (Lines Exbn Pte Ltd., Tel: 65-6299-8611, Fax: 65-6299-8633, Email: enquiry@lines.com.sg, URL: www.beautyasia.com.sg) Singapore
			27 Feb. - 1 Mar. 	<b>Int'l Camping Fair</b> (AllFair, Tel: 82-2-796-8710, Fax: 82-2-796-8711, Email: jieun.bae@allfair.co.kr, URL: www.campingfair.co.kr) Goyang Korea
			29 Feb. - 2 Mar. 	<b>dE Hair Jakarta</b> (PT Elite Expo Indonesia, Tel/Fax: 62-21-520-5145, Email: eliteexpo.id@gmail.com, URL: dehairjakarta.com) Jakarta Indonesia



# TECHNOLOGY

## Australian PM announces digital farming initiatives

Farmers will be able to reduce costs and increase productivity through using the national broadband network to access new digital services, Prime Minister Malcolm Turnbull says.



Mr Turnbull says opportunities have never been greater, with half the world's middle class living in East Asia and all of them customers for all the things produced by Australian farmers.

"The doors to these markets are now flung open wider than ever," he said.

The prime minister was in Menangle, NSW, to announce three new digital initiatives in conjunction with the National Farmers' Federation to "digitally transform" the agriculture sector.

That includes a new online farmers platform, the National Farmers' Digital Agriculture Service and a new incubator for agricultural startups and technology.

"The agenda of innovation is absolutely critical to every industry. It is and always has been innovative and adaptive. They have always been prepared to experiment," he said. *Sky News*

## Skype co-founders to test 'Starship' robot buggy

Google may be investing in flying drones, but Skype's co-founders believe the future of robotics is on the ground.

They believe fleets of small autonomous robots could soon become a familiar presence on public pathways, helping complete chores and deliver shopping.

Starship Technologies is now preparing to test their self-driving delivery robots in London and some parts of the US this year 2016.

The as yet unnamed robots are small, safe, practical and free from CO2 emissions, according to the developers.



"When you place your order online, as you do right now, but instead of getting the delivery by somebody coming up to your door and knocking on your door, you would get it by a robot," said Ahti Heinla, a Skype co-founder and CEO at Starship Technologies.

The robots can carry the equivalent of two bags of shopping and complete local deliveries in between five and 30 minutes from a designated hub or retail outlet.

Heinla explained that the robots are not designed for long-distance orders, but for completing the final mile of a delivery.

He said this puts the customer in control of their deliveries by allowing them to choose from a selection of short, precise delivery slots. *Daily Mail*

## Erze Ambalaj innovates with antimicrobial packaging

One of Turkey's largest food packaging companies, Erze Ambalaj, has partnered with biochemistry developer Parx Plastics to create expandable foam packaging that reduces salmonella and listeria.

It is currently being tested with lamb meat and tuna steaks and the results are "promising", according to Parx Plastics co-founder Michael Van Der Jagt.

"What is important is that we're using harmless substances in the process. We add the trace element that you and I both need in our diets to stay healthy," he added.



One area that antimicrobial packaging could prove to be beneficial is with poultry. In the UK, chicken bacteria was found on the exterior of packaging, according to Van Der Jagt. This, he said, is because the bacteria is airborne and can be found in locations where chicken meat is processed. *Global Meat News*

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# POLICY UPDATES

(A compilation of rules, laws and policies on trade and investments in CACCI member countries)

## Bangladesh

### *Bangladesh poised to be biggest cotton importer*

Bangladesh may overtake China as the world's biggest cotton importer in the current crop season thanks to strong demand from apparel makers, according to data from the US Department of Agriculture.

In the year ending July 31, 2016, Bangladesh may import a record 5.75 million bales of the fibre, up 6.5 percent from a year earlier, said the USDA. One bale weighs 480 pounds, or 218 kilograms.

China is projected to import 5.5 million bales, the lowest since 2003, according to Bloomberg.

Bangladesh's share of the global cotton-export market doubled from 1995 to 2012, mostly because of the strong performance of the garment sector, the World Bank said in an October report.

Since 2009, the country has been the world's second largest exporter of clothing after China. *The Daily Star*

## Hong Kong

### *Belt & Road: HK firms urged to sit up*

Hong Kong Finance Secretary John Tsang Chun-wah on December 17 renewed his call to city firms to seize opportunities presented by President Xi Jinping's Belt and Road Initiative.

Speaking at a seminar hosted by the Central Policy Unit and Hong Kong Institute of Asia-Pacific Studies of the Chinese University of Hong Kong, Tsang said the SAR government had begun to conduct field visits to countries along the Belt and Road to gain a better understanding of business opportunities in diverse economies.

He encouraged the city's enterprises to make more efforts to seize the opportunity as Hong Kong, with its abundant talents in finance, law, logistics and other sector, will benefit greatly from the blueprint.

Former Vice-chancellor of the Chinese University of Hong Kong Lawrence Lau said the Belt and Road and the Asia Infrastructure Investment Band proposed along with the initiative were aimed at creating value and to ensuring a win-win outcome for all. *China Daily*

## India

### *Indian government introduces bill for bankruptcy law in Parliament*

Finance Minister Arun Jaitley introduced the Insolvency and Bankruptcy Code in Parliament on December 21, looking to modernise an outdated system and allow speedy exits from failed businesses. The code, regarded as a badly needed reform, provides for winding-up of a failed business in 180 days and is in line with global practices, empowering lenders, operational creditors and companies to initiate insolvency proceedings.

"The existing framework for insolvency and bankruptcy is inadequate, ineffective and results in undue delays in resolution," Jaitley said in the statement on the Bill's objectives. The code will also consolidate related rules that are scattered all over the statute book.

The minister had identified bankruptcy law reform as a key priority for improving ease of doing business in his February Budget speech. A comprehensive bankruptcy code, meeting global standards and providing the necessary judicial capacity, will be unveiled in the fiscal year, he had said. The Bill has been introduced as a money Bill, limiting the role of the Rajya Sabha in its passage. *Economic Times*

## Japan

### *Manufacturers diversify as camera demand falls*

Camera manufacturers have been stepping up efforts to find new revenue sources, including in the medical equipment field, against the background

of the rise of smartphones and consequent shrinking of the digital camera market. Companies' future growth depends on how well they will be able to make use of cultivated technologies in new business environments.

At its trade fair in Tokyo on Nov. 4-6, Canon Inc. put forth a policy of developing new technologies other than those for digital cameras. The recent trade fair highlighted business sectors with high growth potential, such as the production of security cameras and genetic examination devices, and was in sharp contrast to the previous fair's focus on digital cameras.

Images displayed at the trade fair included those of jeans, tatami mats and oil paintings. The images were captured with digital cameras, and their texture and thickness were reproduced by a high-definition printer. This printing technology has the potential to be put to practical use in a wide range of technical fields, including in the reproduction of images such as walls of housing units and interior fittings of automobiles. *Yomiuri Shimbun*

## Korea

### *Korea breaks ground on creative economic zone*

South Korea on December 23 began construction of a creative economic zone located south of the nation's capital as part of efforts to promote the country's flagship economic policy.

South Korea plans to invest 1.5 trillion won (\$1.27 billion) in establishing the 430,000-square-meter Creative Economy Valley in Pangyo, south of Seoul, which aims to host 1,600 companies employing more than 100,000 people.

The plan calls for creating a high-tech industrial park that will be linked to the nearby Pangyo Techno Valley so the entire area can be converted into a South Korean version of California's Silicon Valley.

# POLICY UPDATES

Creative economy refers to President Park Geun-hye's flagship policy that aims to merge different industrial sectors, mostly with information and communications technologies, to generate new business opportunities and foster the growth of startups. *Korea Herald*

## Nepal

### *Solar for city houses mandatory*

All public, commercial and institutional buildings in urban areas of Nepal will now be required to generate a quarter of their electricity requirement by themselves using solar system, according to a new government regulation.

The regulation also applies to private houses with roofs larger than 2,500 square feet in area in metropolitan and sub-metropolitan cities.

The Ministry of Federal Affairs and Local Development on December 22 instructed all 75 district development committees and 217 municipalities to ensure that all buildings comply with the regulation.

For those planning to build new houses, the ministry has directed the concerned authorities to issue building permits only after making sure the new energy requirement is fulfilled.

The ministry issued the regulation in a bid to address the electricity crisis in country, officials said. *Kathmandu Post*

## Philippines

### *Government debt ratio improves in Q3*

The broadest measure of the government's debt standing inched up in the third quarter from the October to December, but remained down from year 2014.

In a statement released on December 22, the Department of Finance said the general government debt accounted for 36.8 percent of gross domestic product (GDP) as of September.

The figure was up slightly from

36.2 percent as of end-June, but was still an improvement from 37.2 percent in the same period a year ago.

General government debt is a wide measure of debt levels across the bureaucracy, including that of the National Government, local governments, and social security institutions such as the Social Security System and Philippine Health Insurance Corp.

A lower ratio indicates the government is generating more resources than debts, giving it more payment capacity. *Philippine Star*

## Singapore

### *Singapore consumer prices decline for longest streak since 1987*

Singapore's consumer prices fell for a 13th straight month in the longest streak of declines in almost three decades amid a renewed slump in oil prices.

Consumer prices fell 0.8 percent from a year earlier in November, according to data released on December 23. The median estimate in a Bloomberg News survey was for a 0.7 percent decline. Core inflation, which excludes private transport and accommodation costs, eased to 0.2 percent in November.

Core inflation is expected to pick up gradually over the course of 2016 as the year-on-year disinflationary effects of lower oil prices and one-off government measures to lessen costs ease, the central bank and trade ministry said in a joint statement.

The Monetary Authority of Singapore eased its exchange rate policy for a second time last year in October, saying weakening prospects for global growth will pose "headwinds" in the coming months. *Bloomberg*

## Taiwan

### *Legislature passes NT\$50K tax credit for car trade-ins*

Starting 2016, car owners who discard or export their used vehicles are eligible for a NT\$50,000 discount off the commodity tax when purchasing a new one.

The Legislative Yuan on December 18 passed a revision to the Commodity Tax Act that grants tax credits for trading in used vehicles.

Car owners are eligible for the benefit if they purchase and license a new car in the six months before or after trading in an old one.

Scooter owners, who had been excluded in initial proposals, can receive a commodity tax cut of NT\$4,000 when buying a new one.

The tax reduction scheme will be available for five years and is scheduled to start in 2016. *The China Post*

## Vietnam

### *Vietnam's garment industry joins global supply chain*

Vietnam's garment industry, which until now did not have much of a role to play, has revamped its production process to join the global supply chain, experts said.

Vu Duc Giang, chairman of the Vietnam Textile and Apparel Association (Vitas), said the local garment industry has been one of the leaders in export value, but the industry has just joined the processing stages of cutting and sewing in the global supply chain.

The industry depends on imported material from abroad, especially from China, which accounts for 50 percent of the material for the industry's production, he said.

However, if the markets providing material for Vietnam's garment industry showed any abnormal fluctuations it impacts the local industry adversely.

In addition, the local textile and garment sector has not seen much cooperation between manufacturers to create a production chain and a sustainable development strategy in the long term, he said. *Vietnam News*