



President Inaishvili Invites Members to Join Him at the Istanbul Conference



CACCI President Jemal Inaishvili

Following the success of CACCI's annual gathering in Sydney, Australia in September last year, CACCI President Mr. Jemal Inaishvili is inviting members to once again extend the same spirited enthusiasm and strong support to the upcoming 32nd CACCI Conference to be held on November 23-24, 2018 in Istanbul, Turkey, with the Union of Chambers and Commodity Exchanges of Turkey (TOBB) as the host organization.

In his message to members, President Inaishvili states that the Conference this year aims to provide another important venue for our members to exchange ideas on trends and issues that are currently shaping the global markets. "With the help of invited experts from the government and the private sector, we hope to take an in-depth look at some measures that could be implemented to help achieve stronger investment and output growth over the



medium and long-term, particularly those that highlight the use of leading-edge technology and innovative approaches in meeting the current challenges of economic development in the region," the CACCI President said.

Mr. Inaishvili stated that he is particularly pleased that the venue of the CACCI Conference this year is once again Istanbul, the business hub of Turkey. "As you may know, Turkey's economy is on the upswing, with growth gathering momentum last year, driven by strong fiscal stimulus and a strong recovery in export demand. With the economy on strong footing since early 2017, the labor market has improved, and consumer and business sentiments have edged up."

"I therefore invite all our members to attend this year's annual gathering in Istanbul and take advantage of another important opportunity to exchange views on how CACCI can help the Asian region remain an important contributor to the world economy. Your participation will also provide you the opportunity see for yourself how Turkey it continues to transform itself into one of the world's economic powerhouses, and to explore areas that offer growth potentials for your respective companies.

"I look forward to seeing you all in Istanbul in November. With your presence and active participation in the forthcoming 32nd CACCI Conference, we hope to affirm CACCI's role as a vehicle for promoting regional cooperation."

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CACCI Vice President Rifat Hisarciklioglu Re-Elected TOBB President



Mr. Rifat Hisarciklioglu was recently re-elected President of The Union of Chambers and Commodity Exchanges of Turkey (TOBB).

Mr. Hisarciklioglu, who is concurrently Vice President of CACCI, became TOBB President for the next four years, after having been re-elected unanimously during the 74th General Assembly held at TOBB Economics and Technology University. Elected TOBB President for the first time on June 16th, 2001.

Mr. Hisarciklioglu will perform this task for the fifth time.

In his congratulatory letter to the newly re-elected TOBB President, CACCI President Mr. Jemal Inaishvili said: "Given your long and extensive business experience, your exemplary achievements in various fields, your wide network of friends and associates in the business communities not only in the Asia-Pacific region but globally as well, and your strong and unwavering commitment to the chamber movement, you are certainly in the best position to once again lead TOBB towards its goal of promoting the interest of its members and fostering the growth and development of your country's economy. I am sure you will continue to build on your past accomplishments at the helm of TOBB and bring the organization to an even higher level of influence."

Developing Asia will Expand by 6.0% in 2018: ADB

Developing Asia is forecast to expand by 6.0% in 2018, and by 5.9% in 2019. Excluding Asia's high-income newly industrialized economies, growth should reach 6.5% in 2018 and 6.4% in 2019. This is the assessment made by the Asian Development Bank (ADB) in its latest Asian Development Outlook 2018 published in early April this year.

With oil prices edging up and robust consumer demand continuing, inflation is poised to pick up after dipping slightly last year. Consumer prices are projected to rise by 2.9% in both 2018 and 2019, or 0.6 percentage points more than in 2017.

Though prospects are firm, risks are clearly to the downside. Protectionist measures and retaliation against them could undermine the recent pickup in trade growth. In response to fiscal stimulus, the United States Federal Reserve may need to raise interest rates faster than currently expected, which could diminish capital flows to developing Asia.

Outlook by subregion

Most of developing Asia will pause after a pickup in 2017

As only 14 of 45 individual economies are forecast to see growth accelerate in 2018, aggregate growth rates in most subregions are projected to be unchanged or lower this year. South Asia is the exception, as a rebound in India will lift growth above 7%, making it the fastest growing subregion in developing Asia. Across the region, domestic demand will remain as the key sustainer of growth. Central Asia and the Pacific will bounce

back in 2019.

• **East Asia slows on moderating PRC growth and external trade.** Economic growth in East Asia picked up by 0.3 percentage points to 6.3% in 2017 as strong external and internal demand lifted every economy in the subregion. Growth accelerated to 6.9% in the PRC on robust exports and private consumption, and surging coal exports and mining investment lifted Mongolia's growth rate fourfold to 5.1%. Expansion in the PRC should moderate to 6.6% in 2018 and 6.4% in 2019 as economic policy leans further toward financial stability and a more sustainable growth trajectory. Other economies in the subregion will see lower growth as well, mainly on account of moderating export growth. These developments will tamp down East Asian economic expansion to 6.0% in 2018 and 5.8% in 2019. Inflation dipped in East Asia last year, reflecting moderation in the PRC, where food prices fell. It will trend higher from 1.6% in 2017 to 2.3% in 2018 and 2.2% in 2019 as food prices rise, the PRC deregulates prices, and wages improve in most economies.

• **South Asia anticipates revived growth after a 2-year slowdown.** Aggregate growth slipped 0.3 percentage points to 6.4% in 2017. This reflected slackening in India, where growth fell to 6.6% with the lingering effects of demonetization in 2016, businesses adjusting in 2017 to a new goods and services tax, and agriculture subdued. The South Asian giant is expected to bounce back to 7.3% in fiscal 2018 and firm to 7.6% in 2019 as the new tax regime improves productivity and as banking reform

Developing Asia will Expand by 6.0% in 2018: ADB



and corporate deleveraging take hold to reverse a downtrend in investment. Elsewhere in South Asia, growth will stay robust but generally not improve. The need to carry out revenue-enhancing fiscal reform and to strengthen economic policy will temporarily brake expansion in Bangladesh, Pakistan, and Sri Lanka. Growth in South Asia as a whole is forecast to rise to 7.0% in 2018 and 7.2% in 2019. Very modest food price rises in India following bumper harvests there pushed average inflation in South Asia down to 4.0% in 2017. Inflation is forecast to revive to 4.7% in 2018 and to 5.1% in 2019, mainly on higher oil prices.

• **Southeast Asia is poised to sustain a higher growth path.** Growth accelerated to 5.2% last year, 0.5 percentage points higher than in 2016. A turnaround in exports and robust domestic demand underpinned solid economic performances across the subregion. As export growth moderates from last year's rebound, stronger domestic demand—fueled by ambitious public infrastructure spending, solid foreign direct investment, and robust household consumption—should see the subregion sustain average annual growth at 5.2% this year and next. Growth this year in 8 of the 10 economies is projected to be equal or exceed the 2017 rate, but Malaysia and Singapore are likely to unwind from last year's rapid expansion toward their long-term potential growth rates. Inflation, having edged up 0.7 percentage points to 2.8% in 2017, is seen stabilizing at about 3.0% this year and next, buoyed by strong domestic demand, higher minimum wages, hikes in administered prices, and rising international oil prices. Only Malaysia will see inflation cool in both 2018 and 2019 after changes to the price-setting mechanism for fuel and lubricants spiked transport costs in 2017.

• **Central Asia moderates after a notable recovery in 2017.** Average growth in the subregion rose to 4.3% from 2.7% a year earlier as recession ended in Azerbaijan and expansion accelerated in six other economies, particularly in predominant Ka-

zakhstan. Growth slowed only in Uzbekistan, where sharp currency devaluation to unify the exchange rate and other economic reform forfeited some expansion last year for future growth. Following a strong pickup in growth last year, Kazakhstan is projected to slow to 3.2% in 2018 but bounce back to 3.5% in 2019 as investment quickens. With expansion moderating in most of its economies, Central Asia is projected to slow to 4.0% in 2018 and reaccelerate to 4.2% in 2019 with faster growth in all eight countries. A more stable exchange rate almost halved inflation in Kazakhstan, trimming average inflation in the subregion to 9.2% in 2017 from 10.6% in 2016, even though inflation accelerated in the other seven economies, particularly in Uzbekistan. As recent currency devaluations slip further into the past, inflation is projected to settle at 8.5% in 2018 and 7.9% in 2019.

• **The Pacific will grow more slowly than the other subregions.** Growth at 2.2% in 2017 was determined largely by events in Papua New Guinea, the largest Pacific economy, where growth at a similar rate reflected a slowdown in agriculture and contraction in oil and gas. Elsewhere, performance was mixed, with Palau and Timor-Leste contracting. While these two economies will bounce back in 2018, all others will either maintain the pace or slow. Following an earthquake in February, growth in Papua New Guinea is expected to falter to 1.8%, but recovery in Timor-Leste is expected to keep growth in the subregion as a whole unchanged at 2.2% in 2018. An expected recovery in Papua New Guinea and continuing strength in Timor-Leste should contribute to aggregate growth of 3.0% in 2019. Although inflation in the Pacific fell 1.0 percentage point to 3.8% in 2017, prices rose faster in eight economies, half of them escaping deflation in the previous year. As higher global commodity prices will boost inflation in most economies in 2018, subregional inflation is forecast to reach 4.1% in 2018 before tapering to 3.9% in 2019.

Asia's Workers Will Benefit from New Technologies, But Government Action is also Needed — ADB Study



Technological advances have transformed the two billion worker Asian labor market, helping create 30 million jobs annually in industry and services over the last 25 years, drive increases in productivity and wages, and reduce poverty, says a new report by the Asian Development Bank (ADB).

New research on how technology affects jobs, the subject of the special theme chapter in the Asian Development Outlook 2018 report, points out that while some of the region's jobs will be eliminated through automation, countervailing forces will more than compensate against job losses. ADO is ADB's flagship economic publication.

"ADB's latest research shows that, on the whole, countries in Asia will fare well as new technology is introduced into the workplace, improving productivity, lowering production costs, and raising demand," said Yasuyuki Sawada, ADB's Chief Economist. "To ensure that everyone can benefit from new technologies, policymakers will need to pursue education reforms that promote lifelong learning, maintain labor market flexibility, strengthen social protection systems, and reduce income inequality."

ADB research shows that even in the face of advances in areas such as robotics and artificial intelligence, there are compelling reasons to be optimistic about the region's job prospects. New technologies often automate only some tasks of a job, not the whole. Moreover, job automation goes ahead only where it is both technically and economically feasible.

Perhaps most importantly, rising demand—itsself the result of the productivity benefits that new technologies bring—offsets job displacement driven by automation and contributes to the creation of new professions. ADB's analysis of employment changes in 12 economies in developing Asia from 2005 to 2015 strongly supports the idea that rising domestic demand more than compensates for job losses associated with technological advances. Further, analysis of a broad array of data shows that many new job titles have arisen in ICT, and new types of jobs will arise in healthcare and education, as well as in finance, insurance, and real estate.

The report acknowledges that advances in areas such as robotics and artificial intelligence pose challenges for workers. Jobs that require repetitive, routine tasks and workers who do not have the education or training to move easily to other occupations, may face slow growth in wages. This would exacerbate income inequality in the region. Indeed, the ADB report finds that jobs that are intensive in cognitive tasks, social interactions, and the use of ICT—jobs that tend to be held by the better educated



Policymakers will need to pursue education reforms that promote lifelong learning, maintain labor market flexibility, strengthen social protection systems, and reduce income inequality to ensure that everyone can benefit from new technologies

and better paid—expanded 2.6 percentage points faster than total employment annually over the last 10 years. Moreover, average real wages for these jobs increased faster than for routine or manual jobs.

As the report highlights, policymakers will have to be proactive if the benefits of new technologies are to be shared widely across workers and society. Governments will need to respond to the risk of workers being left behind by ensuring that they are protected from the downside of new technologies and able to take advantage of new opportunities. This will require coordinated action on skills development, labor regulation, social protection, and income redistribution.

Significantly, new technologies can help deliver solutions in many of these areas. Adaptive learning technology, an educational method that uses computer algorithms designed to adjust to individual students, has enhanced learning outcomes in schools; governments should use and promote their adoption. Similarly, technological advances in biometric identification can improve how social protection programs function by reducing costs, overcoming implementation challenges in sophisticated unemployment benefit systems, and enabling the tracking of job-placement services. At the same time, governments also need to ensure that the development of new technologies take place in ways that benefit people and protect their rights and privacy, by, for example, protecting personal data.

ADB, based in Manila, is dedicated to reducing poverty in Asia and the Pacific through inclusive economic growth, environmentally sustainable growth, and regional integration. Established in 1966, it is owned by 67 members—48 from the region.



**Join us for the 32nd CACCI
Conference in Istanbul,
Turkey, November 23-24**

AMRO Launches “ASEAN + 3 Regional Outlook 2018”

The ASEAN +3 Macroeconomic Research Office (AMRO) launched its “ASEAN + 3 Regional Economic Outlook 2018” report focusing on the region’s economic prospects, and a thematic study on “Resilience and Growth in a Changing World.” The launching of the publication was made during the 51st ADB Annual Meeting held on May 3-6, 2018 in Manila, Philippines.

The *ASEAN+3 Regional Economic Outlook (AREO)* provides a comprehensive assessment of recent developments and the outlook for the regional economy, taking into account spillovers from the global economy and inter-linkages in financial markets.

The first part on ASEAN+3 Macroeconomic Prospects and Challenges contains AMRO’s regional outlook assessment and regional growth projections at 5.4% in 2018 and 5.2% in 2019. This section also includes AMRO’s Global Risk Map, while summarises the risks faced by the region. An assessment of each economy’s position in the business and credit



cycles supports the policy recommendations discussed in this section. The Report notes that the economic outlook has improved across ASEAN + 3 economies, boosted by favorable global conditions in 2018. However, the region faces significant external risks such as trade protectionism, a faster than expected tightening in global financial conditions, production networks, technology and demographic challenges.

The thematic study, *Resilience and Growth in a Changing World* examines the continued relevance of the “manufacturing for exports” strategy that have been adopted by ASEAN+3 economies over the last few decades, and how this strategy can be augmented with the challenges posed by changes in global value chains, technology and the rise of the services sector. It includes recommendations on how the region as a whole can strengthen intra-regional connectivity and integration as well as build its resilience against external shocks.

Entrepreneurship is Key to Empowering Women in Asia-Pacific — ADB Seminar

Despite the progress made over the last two decades in empowering women in Asia and the Pacific, there remain huge gender gaps, particularly in the economic and political spheres. The ADB-hosted seminar “Breaking Barriers: Women Entrepreneurship in Asia and the Pacific” was held at ADB’s 51st Annual Meeting, with the participation of policymakers, entrepreneurs, researchers, and development practitioners.

The message from the seminar is that supporting women’s entrepreneurship is key to their economic empowerment. “Women’s entrepreneurship is important because it helps us move closer to the goal of achieving a more gender equal Asia and the Pacific,” said ADB President Mr. Takehiko Nakao at the seminar. “Under our new Strategy 2030, ADB will pay increased attention to generating employment and entrepreneurship opportunities for women.”

Panelists at the seminar included International Labour Organization Director Mr. Graeme Buckley; Chief Executive Officer of Prelo (an Indonesian enterprise offering a retail-sharing e-platform) Ms. Fransiska Hadiwidjana; Undersecretary of the Philippines’ Department of Trade and Industry Ms. Zenaida Maglaya; President and Representative Director of Veolia Japan K. K. Ms. Yumiko Noda; and President of the Bangladesh Federation of Women Entrepreneurs Ms. Rokia Afzal Rahman.

In the theme chapter of the Asian Development Outlook Update 2015, ADB estimated that closing the existing gender gaps could generate a 30% increase in the per capita income of



From left to right: International Labour Organization Director Mr. Graeme Buckley; President and Representative Director of Veolia Japan K. K. Ms. Yumiko Noda; President of the Bangladesh Federation of Women Entrepreneurs Ms. Rokia Afzal Rahman; BBC World News Presenter Ms. Sharanjit Leyl; Chief Executive Officer of Prelo (an Indonesian enterprise offering a retail-sharing e-platform) Ms. Fransiska Hadiwidjana; Undersecretary of the Philippines’ Department of Trade and Industry Ms. Zenaida Maglaya; and ADB President Mr. Takehiko Nakao. Photo courtesy of ADB

an average Asian economy in one generation or 30 years, and 70% in two generations.

The panelists agreed that while there is a long road ahead to full gender equality, policies supporting women’s entrepreneurship can help ignite momentum for this effort, together

with access to information, government services, and credit. The seminar discussed various ways in which women entrepreneurs can overcome the multiple barriers they face and how the public and private sectors can help accelerate support for women start-ups and entrepreneurs.

Nearly half of ADB lending already has strong gender design elements. ADB under Strategy 2030 will place an even stronger emphasis on women's economic empowerment. Infrastructure projects will maximize women's access to markets and opportunities for skilled jobs. Through enhanced technical and vocational education and training programs, ADB will enable women's access to quality jobs in nontraditional, higher-paying sectors. ADB will also expand integrated support for women entrepreneurs through better access to finance, the adoption of new technologies, and policy and institutional reforms.

ADB has been adopting innovative approaches involving other partners in promoting women's entrepreneurship. In April 2018, ADB received a \$12.6 million grant from the Women

Entrepreneurs Finance Initiative (We-Fi) (a global fund hosted by the World Bank Group) to help Sri Lankan women-led businesses obtain bank loans and improve business skills. This new source of funding complements ADB's own financing of \$175 million, which was approved earlier to encourage local partner banks to grow their small and medium-sized enterprise portfolios—especially for businesses that are outside Colombo or are women-led. Mr. Nakao also mentioned ADB's ongoing efforts to improving gender balance within ADB, with representation of women among international staff increasing to a record high of 35% in 2017—a step closer to the bank's target of 40% by the end of 2022.

ADB, based in Manila, is dedicated to reducing poverty in Asia and the Pacific through inclusive economic growth, environmentally sustainable growth, and regional integration. Established in 1966, it is owned by 67 members—48 from the region. In 2017, ADB operations totaled \$32.2 billion, including \$11.9 billion in cofinancing.

Asian Development Bank

ADB Seminar Considers Challenge of Technological Change, Globalization, and Jobs in Asia



From left to right: Fiji Attorney-General and Minister for Economy, Public Enterprises, Civil Service, and Communications Mr. Aiyaz Sayed-Khaiyum; Indonesia Finance Minister Ms. Sri Mulyani Indrawati; ADB President Mr. Takehiko Nakao; Moderator Ms. Zeinab Badawi; Philippines Finance Secretary Mr. Carlos G. Dominguez; and Japan Deputy Prime Minister Mr. Taro Aso. Photo courtesy of ADB

As Asia and the Pacific seeks inclusive and sustainable economic growth, countries are adapting to the possibility that new technologies in fields such as robotics and artificial intelligence may lead to challenges for some industries and groups of workers, according to participants at a high-level Asian Development Bank (ADB) seminar.

“Advances in new technologies will raise incomes and increase demand from Asia's rising consumer class,” ADB President Mr. Takehiko Nakao said at the Governors' Seminar during ADB's 51st Annual Meeting in Manila, Philippines. “Countries that maintain flexible policies, support improvements to education, and put in place a stronger social safety net will be well

positioned to take advantage of change that new technologies will bring to the region.”

The seminar “Technological Change, Globalization, and Jobs in Asia” had as panelists Philippines Finance Secretary Mr. Carlos G. Dominguez, Indonesia Finance Minister Ms. Sri Mulyani Indrawati, Japan Deputy Prime Minister Mr. Taro Aso, and Fiji Attorney-General and Minister for Economy, Public Enterprises, Civil Service, and Communications Mr. Aiyaz Sayed-Khaiyum. They shared experiences and issues from their countries' perspectives.

According to the theme chapter of ADB's Asian Development Outlook 2018, despite concerns that new technologies and automation could lead to widespread job losses, there are four reasons for optimism about developing Asia's job prospects. First, despite the growing use of industrial robots in the region, new technologies often automate some tasks of a job, not the whole job.

Second, automation takes place only where it is both technically and economically feasible, and it has so far been concentrated in the region's capital-intensive manufacturing with relatively low employment levels.

Third, empirical evidence from developing Asia shows that jobs created by rising domestic demand more than compensate for job losses due to technological advances. This job creation will likely continue as a growing middle class consumes more and better goods and services.

Fourth, technological advances and rising incomes will lead to new occupations and industries, further offsetting labor displacement due to automation.

Nonetheless, new technologies will alter the composition of skills needed by the workforce, panelists said. They may

lead to more frequent unemployment and lower wage growth for less skilled workers who engage in manual and routine tasks, widening income inequality.

Governments can respond by en-

suring workers are protected from these negative effects. This will require policy actions on education and skills development, labor regulation, social protection, and income distribution. Also, government

support for new technologies must benefit people and protect their rights and privacy, panelists agreed.

Asian Development Bank

International Exhibitions on Beverages, Coffee, Tea and Dairy and Related Industries to be held in Iran



The Federation of Iranian Food Industry associations is organizing the “9th International Exhibition of Beverages, Coffee, Tea and Related Industries” and the “3rd International Exhibition of Dairy and Related Industries” on September 15 – 18, 2018 in Tehran, Iran

To take place in Tehran International Permanent Fair-ground, the four-day events are the largest scale in the dairy and beverages industry in Iran. By attending the Exhibition, participants will be able to get to know the latest market trends and identify areas of mutual cooperation opportunities.

For more detailed information, interested parties may wish to visit the event websites at:

www.ibie-ex.ir and www.idie-ex.ir

CACCI Lifetime Special Member Joins Bangladesh Delegation to the Commonwealth Summit 2018



Mr. Salauddin Yousuf (leftmost), Director of Lub-rref (Bangladesh) Limited - a Lifetime Special Member of CACCI - was part of the delegation from Bangladesh that attended this year's Commonwealth Heads of Government Meetings and Commonwealth Summit held on April 16-20, 2018 in London and Windsor, United Kingdom.

Mr. Yousuf joined his country's delegation headed by Honorable Prime Minister of Bangladesh Sheikh Hasina (3rd from right), along with over 5,000 other participants from parliament, government, business and civil society.

The theme of the Summit was “Towards our Common Future”, which is linked to the theme for Commonwealth Day 2018.

Canada Bangladesh Chamber of Commerce Holds Canada Showcase 2018

The Canada Bangladesh Chamber of Commerce recently organized the Canada Showcase 2018 at the International Conference Center in Dhaka. It was attended by many Canadian companies which are operating in Bangladesh and also by some Bangladesh companies doing business with Canada.

The chief guest of the event was the Commerce Minister of Bangladesh Mr Tofael Ahmed and main guest was high commissioner of Bangladesh Mr Benoit. The Canada Bangladesh Chamber of Commerce acts as a catalyst to make Bangladesh as Asia's leading destination for sourcing and investment for Canada.



Publications by ADB

Trade Facilitation and Innovation: Evidence from South Asia Subregional Economic Cooperation Countries

South Asia Subregional Economic Cooperation countries can improve their trade facilitation performances as a way to promote innovation. Shorter trade times encourage the introduction of new projects and management systems at firm levels.

Using data from over 120,000 firms in 125 mostly developing and transition economies, this paper examines how trade times affect innovation behavior. Analysis shows that shorter trade times are associated with the introduction of new products and new management systems. From a policy perspective, results suggest that long-run growth in the South Asia Subregional Economic Cooperation (SASEC) countries can be supported in part by improving trade facilitation, where performance lags substantially behind the global frontier.

This paper has shown that trade facilitation performance, as measured by the time taken for goods to clear customs, has a significant impact on firm-level innovation. This finding suggests that SASEC policy makers would do well to consider ways in which they could improve trade facilitation performance as one way of promoting innovation.



ASIAN DEVELOPMENT BANK



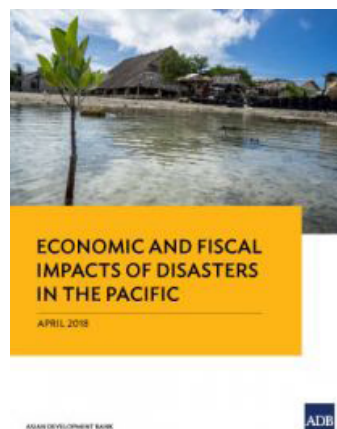
Publications by ADB

Economic and Fiscal Impacts of disasters in the Pacific

Pacific island countries need to build their fiscal and economic resilience to climate change and natural disasters as these have lasting consequences on their livelihoods, economies, and fiscal balances.

Climate change and natural disasters can have lasting consequences on livelihoods, economies, and fiscal balances—spanning immediate reconstruction costs and fiscal shocks to long-term halts in tourism and agriculture economies. Globally, the most exposed to these impacts are the Pacific island countries.

The Asian Development Bank is working closely with its Pacific developing member countries to prepare for and respond to the effects of climate change and natural hazards. This publication examines the often-overlooked dimension of resilience planning—how to brace economies for shocks caused by climate change and hazard events. It analyzes the exposure and vulnerability of Pacific economies to disaster events and outlines key resources for building fiscal and economic resilience.



Guide to Performance-Based Road Maintenance Contracts



This guide serves as a reference for implementing performance-based road maintenance contracts in Central Asia Regional Economic Cooperation (CAREC) countries to promote effective and efficient maintenance of road networks.

Road asset management is one of the top priorities of the Central Asia Regional Economic Cooperation (CAREC) Transport and Trade Facilitation Strategy 2020. The implementation of performance-based road maintenance contracts (PBCs)—an essential element of road asset management—promotes effective and efficient maintenance of road networks. Well-designed PBCs keep roads in predefined good condition at relatively low cost.

This guide aims to help policy makers in CAREC member countries understand and implement PBCs. After a brief history of the development of PBCs, it discusses the various types of PBCs and their relative advantages and disadvantages. It highlights PBC implementation in selected developed, developing, and transitional countries, including CAREC member countries, to illustrate best practices.

Publications by ADB

Asian Development Outlook (ADO) 2018: How Technology Affects Jobs

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Though prospects are firm, risks are clearly to the downside. Protectionist measures and retaliation against them could undermine the recent pickup in trade growth. In response to fiscal stimulus, the United States Federal Reserve may need to raise interest rates faster than currently expected, which could diminish capital flows to developing Asia.



Increasing Benefits Through Economic Corridor Development in the Lao People's Democratic Republic



The Lao People's Democratic Republic can maximize the potential benefits from the Greater Mekong Subregion's economic corridors through its national policies, capacities, and implementation arrangements.

Special economic zones play an important role in the development of the Greater Mekong Subregion (GMS) which is home to 328 million people. The Lao People's Democratic Republic (Lao PDR) shares borders with the other five GMS countries. However, it is not always clear to what extent the Lao PDR has benefited from the GMS program.

This study identifies opportunities for the Lao PDR to increase the benefits it derives from GMS projects, particularly economic corridors. It emphasizes that regional governance arrangements can never be a substitute for national governance arrangements. Instead, national policies, capacities, and implementation arrangements will determine how the Lao PDR can maximize the potential benefits from GMS projects.

Economic Cooperation News

Vietnam, Myanmar aim for US\$1b in two-way trade

HANOI (Viet Nam News/ANN) -- Prime Minister Nguyen Xuan Phuc and State Counselor of Myanmar Aung San Suu Kyi agreed to further deepen bilateral trade and investment on a win-win basis in order to achieve two-way trade valued at US\$1 billion or higher during their talks in Hanoi this week.

The Vietnamese PM expressed his support for Myanmar during its national reconciliation and construction.

Aung San Suu Kyi congratulated Vietnam on obtaining important achievements over the past 30 years of renovation, especially in ensuring social welfare and sustainable development.

Both sides shared the view that the upgrade of bilateral ties to a comprehensive strategic partnership during the visit to Myanmar by Party General Secretary Nguyen Phu Trong in August 2017 has opened up a new chapter in bilateral ties. Political, national defence-security and economic-trade-investment ties have been growing. Vietnam is now the ninth-largest trade partner and the seventh-largest foreign investor of Myanmar.

They vowed to further boost political and diplomatic collaboration through all-level visits through the Party, Government, State and National Assembly channels and people-to-people exchange, accelerate the organisation of the ninth Vietnam – Myanmar Joint Commission and quickly approve the Action Programme to realise the bilateral comprehensive strategic partnership for 2018-2023.

Speaking highly of Vietnam's projects in Myanmar and the PM's sharing of experience in renovation and economic integration, the guest said Myanmar would build trade and investment policies to create favourable conditions for foreign investors, including those from Vietnam.

Host and guest extolled the development of co-operation in defence-security. They pledged to extend collaboration into training, military medicine, search and rescue and athletic exchange. They agreed to hold the deputy ministerial-level defence policy dialogue in 2018 as well as



Prime Minister Nguyen Xuan Phuc and State Counselor of Myanmar Aung San Suu Kyi review the guard of honour during a welcome ceremony for the Myanmar leader in Hanoi yesterday. - Photo VNA/VNS

step up negotiations to sign the agreement on anti-crime and others such as the Agreement on Extradition and Agreement on the Transfer of Sentenced Persons.

The two leaders expressed their wish to further uphold other important co-operation fields, including finance, telecommunications, energy, agro-forestry-fisheries and people-to-people exchange.

They welcomed the strengthening of coordination across transport, tourism, justice, education and culture and agreed to sign deals that lay the legal foundation for specific fields.

On regional and global issues of shared concern, they pledged to work closely together at forums such as Asean, the Non-Aligned Movement and the United Nations. They also agreed to jointly work to successfully build the Asean Community.

Vientiane Times

Expo in New Delhi promotes Taiwanese electric vehicles, smart city applications

By Kuo Chia-Erh

The Taiwan External Trade Development Council (TAITRA) opened its first-ever Taiwan Expo in New Delhi to help Taiwanese firms expand their footprints in the Indian market.

The three-day event, is the first business-to-business exhibition held by the government-backed trade promotion agency in India and features eight indus-

try-themed pavilions showcasing Taiwanese niche products.

The pavilions exhibit design ideas including electric vehicles (EV) and smart city solutions, and echo the Indian government's push to boost the country's economic and digital development, TAITRA chairman James Huang told a news conference before the opening ceremony of the exhibition at the India Trade Promotion Organization's Pragati Maidan exhibition venue.

"India will sell only EV's by 2030 and that indicates a huge potential market [for Taiwanese companies]," Huang said, adding that Taiwan's position in the supply chain of US-based Tesla Inc gives it an advantage over global rivals.

Taiwanese companies have successfully entered India's emerging EV supply chains, Huang said, citing the example of Kaohsiung-based electric scooter maker Ahamani EV Technology Co Ltd.

Ahamani is today to sign a memorandum of understanding with Hero MotoCorp, India's biggest two-wheeler maker, to jointly promote electric models in the country via the Indian company's nationwide distribution channels.

The company has been talking with Indian customers since 2016, Ahamani chief executive officer Chi T.C. Kung told the Taipei Times on the sidelines of the exhibition, adding that India is a rapidly growing market with annual sales of about 20 million motorcycles.

"It is not very easy for EV suppliers to enter the Indian market...you have to provide electric models that can compete with diesel-powered ones, but at affordable prices," Kung said.

Ahamani and Hero plan to manufacture 100,000 electric motorcycles in India over the next four years, she said.

Among its other efforts to connect the two economies, TAITRA said it is to next month lead a team of Taiwanese auto components makers on a trip to India and is organizing an event themed Smart Asia in Bengaluru from Oct. 4 to Oct. 6.

Taiwan ranked as India's 18th – largest trade partner last year, when bilateral trade totaled US\$6.3 billion, TAITRA statistics showed.

Taipei Times

Economic Cooperation News

Joint Venture to build plant

The state-run Bangladesh Power Development Board (BPDB) and China Huadian Hong Kong Company Limited (CHDHK) have signed an agreement to form a joint venture company to set up a coal-based power plant with a capacity of 1.32 gigawatts, a senior BPDB official said yesterday. "These two firms signed the deal on Sunday to set up the plant at Moheshkhali Island in Cox's Bazar District," BPDB director Mohammad Saiful Islam said. The venture, equally owned by both firms, would take four years to begin, the official said. Another official, who is directly involved with the project, said that as per the initial plan, it might cost about US\$2 billion to implement the project. The nation plans to provide electricity to all of its citizens by 2021.

Taipei Times

Turkey-Russia Boost Collaboration in Energy

Turkey ranks 2nd in the world, after China, in terms of growth in electricity

demand. The external dependence ratio in energy sources in Turkey was more than 70 percent over the last decade; however, that ratio has been declining recently due to the uptake in utilizing domestic sources of energy such as wind, geothermal, solar, and hydro.

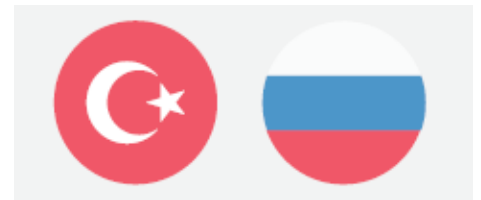
Localization in the sector is expected to exceed 60 percent in the next 5 to 10 years.

Apart from the aforementioned domestic sources of energy, another of the efforts to increase national energy resources is the utilization of nuclear power plants. The groundbreaking ceremony for Akkuyu, the first of a series of nuclear power plants, was made in April at the Presidential Complex in Ankara, with Turkish President Recep Tayyip Erdoğan hosting Russian President Vladimir Putin. Being built in close cooperation with Russia, the Akkuyu plant in Mersin province represents a USD 20 billion investment. The second nuclear power plant will be built in the Sinop province of Turkey, with a third being planned for the future.

Speaking at the ceremony, President Erdoğan said that Turkey is continuously investing in every part of the energy

industry as part of its commitment to boosting energy security. "Turkey will have sound and sustainable energy in the future thanks to the efforts in nuclear energy today. Turkey's energy sources, which are still mainly based on oil, natural gas and coal, will become healthier with the commissioning of the nuclear power plants in Turkey," Erdoğan said.

Congratulating Turkey for its efforts in nuclear energy, Russian President Putin emphasized the contribution of nuclear power plants to Turkey's economy and said that Akkuyu will also provide for technology transfer opportunities to the country.



The first reactor of the Akkuyu Nuclear Power Plant will be commissioned in 2023, and when totally finished, it will provide for 10 percent of Turkey's total electricity need.

Invest in Turkey

Product & Service Councils

Contracting & Construction

After quakes, firms step up business continuity planning

By Jiji

The March 2011 earthquake and tsunami in Tohoku and the 2016 Kumamoto quakes have prompted many domestic manufacturers to draw up plans to ensure business operations continue in the event of natural disasters.

In January this year, 12 semiconductor-makers including Sony Corp. and Renesas Electronics Corp. – who each suffered major production-related damages during the Kumamoto Prefecture quakes

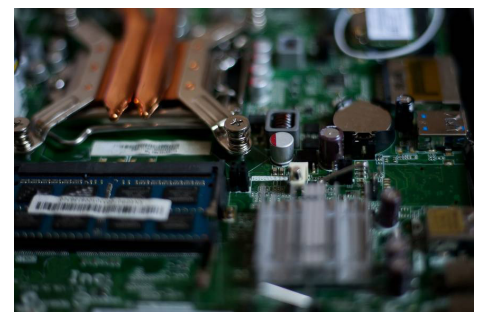
– agreed to sign a pact aimed at mitigating the impact of disasters on their businesses. The firms discussed how they can cooperate to continue operations in the event of disasters, after monthlong delays for some plants to resume operations following the April 2016 earthquakes. They also decided to establish a contact system to facilitate the mutual provision of necessary parts in the wake of disasters.

Production equipment uses many common components, a semiconductor industry official noted, explaining the significance of the mutual provision system.

Meanwhile, individual firms are drawing up their own anti-disaster measures as well.

Renesas partially resumed pro-

duction just eight days after the Kumamoto quakes, thanks to efforts to enhance the quake resistance of its plants following the March 2011 disaster. The company tough-



Many manufacturers, including semiconductor-makers, have developed plans to ensure operations continue in the event of natural disasters.

Product & Service Councils

ened its earthquake risk estimates for many locations in Japan after the Kumamoto quakes. Sony took a similar measure.

Earlier this year, Fujifilm Corp. started running a system on swiftly predict damage to its facilities based on the size of earthquake measurements at 10 domestic bases. It has also introduced drones in Kyushu for aerial monitoring.

Automakers, meanwhile, are trying to decentralize production bases and set anti-disaster measures for their entire supply chains, including subcontractors. Toyota Motor Corp. was forced to stop operations at its main auto plants nationwide after plants operated by Aishin Seiki Co., a Toyota group company, were hit by the Kumamoto tremors. In light of this experience, Toyota is taking steps to secure the supply of parts following disasters as well as decentralize production bases.

Honda Motor Co. has decided to would set up a disaster response task force at its plant in Tochigi Prefecture if its head office in Tokyo is damaged by a disaster.

According to a survey of automakers and semiconductor-related companies in Kyushu, compiled in March by the industry ministry's local bureau, some 70 percent of large companies have drawn up plans to continue product supply in the event of disasters, while the share was less than 30 percent for small companies.

Japan Times

matter (particulate matter less than or equal to 2.5 micrometers in aerodynamic diameter, or PM2.5), one component of air pollution, ranks as the sixth-highest risk factor for early death, the study showed.

The WHO sets the Air Quality Guideline for annual average PM2.5 concentration at 10 micrograms per cubic meter of air, and suggests three interim targets set at progressively lower concentrations for regions of the world where air pollution is highest. The report showed that nearly 60 percent of people live in areas that do not meet even the least stringent air quality target as set by the WHO.

It also found that the highest concentrations of population-weighted annual average PM2.5 in 2016 were in North and West Africa and the Middle East.

The countries with an annual average of lowest 8 micrograms per cubic meter were in Australia, Brunei, Canada, Estonia, Finland, Greenland, Iceland, New Zealand, Sweden, and several Pacific island nations.

China's air pollution exposures have stabilized and even begun to decline slightly. Pakistan, Bangladesh and India, in contrast, have experienced the steepest increases in air pollution levels since 2010.

The study also reported that if no further action is taken, population exposures to PM2.5 are likely to increase by over 40 percent by 2050.

Vientiane Times



rel, a level not seen since 2014.

With the US dollar also growing stronger, concerns are rising that economies could take a hit, especially in import-reliant Asia. Surging costs could have an inflationary effect that would hurt consumers, as well as companies.

"Asia is most vulnerable to an oil price spike," Canadian investment bank TBC Capital Markets said in a note this month, after oil prices hit their highest since November 2014.

The Asia-Pacific region consumes more than 35 percent of the 100 million barrels of oil the world uses each day and the region's global share is steadily rising, industry data showed.

Asia is also the world's smallest oil producing region accounting for less than 10 percent of output.

US bank Morgan Stanley this week said that diesel use contributes 10 to 20 percent to cash costs for miners, while oil makes up between 4 percent and 50 percent to the cost of power generation, depending on a company's or country's fuel mix.

"A rising oil price therefore shifts the entire cost curve higher," it said.

China is by far Asia's – and the world's – biggest importer of oil, ordering 9.6 million barrels per day last month. That is almost 10 percent of global consumption.

At current prices, this amounts to a Chinese oil import bill of US\$768 million per day, US\$23 billion per month and US\$280 billion a year.

Other Asian countries are even more exposed to rising oil prices. Most damage would be done to countries like India and Vietnam, which not only rely heavily on imports, but where national wealth is not yet large enough to absorb sudden

Energy & Environment

Over 95 percent of world's population breathes polluted air: study

BOSTON (Xinhua) – An estimated 95 percent of people live in areas exceeding the World Health Organization's (WHO) guideline for healthy air, according to a study published in April this year.

The annual State of Global Air Report 2018 by the Health Effects Institute (HEI) showed that air pollution was estimated to contribute to 6.1 million deaths -- about 11 percent of the total global deaths in 2016.

Air pollution is a complex mixture of particles and gases. Ambient particulate

Asia exposed as oil price nears US\$80 per barrel

By Reuters, Singapore, Mumbai, India, and Manila

VULNERABLE: *Although China is the world's biggest oil importer, South-east Asian economies are most heavily affected by fuel price hikes, as they are relatively poor.*

Oil prices are poised to break through US\$80 per barrel and Asia's demand is at a record, pushing the cost of the region's thirst for crude to US\$1 trillion this year, about twice what it was during the market lull in 2015 and 2026.

Oil prices have gained 20 percent since January to just shy of US\$80 per bar-

Product & Service Councils

increases in fuel costs.

“Poorer countries with limited borrowing capacity may face financing difficulty amid higher import bills,” RBC said.

Unless fuel is heavily subsidized, households and businesses in poorer countries are also more vulnerable to rising oil prices than they are in wealthier nations.

In developing economies like India, Vietnam or the Philippines, fuel costs eat up 8 to 9 percent of an average person’s salary, compared to just 1 to 2 percent in wealthy countries like Japan or Australia, Reuters research and figures from statistics portal Numbeo showed.

The surge in oil prices has a particularly big impact on transportation and logistics companies.

Some firms have said they will pass on any higher costs to consumers, while others said that if they burden customers with higher costs, they might lose accounts.

Given the economic costs and the region’s reliance on imports, economists said it is time for Asia to limit its exposure to oil.

“It is very important for Asia to reduce its oil dependency and increase its energy efficiency...to protect itself from future oil shocks,” RBC said.

Taipei Times

Food & Agriculture

Exclusive 7-Eleven aims for regional omnipresence

By Pathom Sangwongwanich

CP Group boss wants the chain to grow beyond Thailand and beef up services.

With an ubiquitous domestic presence, the 7-Eleven convenience store chain is looking to expand its footprint in Asia-Pacific to carry out its regional growth vision, says Charoen Pokphand (CP) Group chief executive Suphachai Chearavanont.

“[CP Group] believes its retail convenience stores should have ‘regional play,’ not confined to Thailand,” Mr.

Suphachai told the Bangkok Post in an exclusive interview.

“Investment should not be limited to Thailand, but investment destinations need to have market potential in Asia-Pacific.”

7-Eleven, which is run by CP All Plc in Thailand, will have to discuss the expansion strategy with Seven & I Holdings Co Ltd, the Japanese parent company of 7-Eleven, Mr. Suphachai said.

A regional expansion is likely to be managed by CP All, he said. He declined to specify whether CP All will embark on the expansion plan this year.

CP All, through Siam Makro Plc, the operator of Makro cash-and-carry stores, has already expanded overseas in Cambodia, Myanmar and India, Mr. Suphachai said.

A convenience store provides round-the-clock service to serve community needs, he said, particularly those of urbanites who have schedules that vary based on lifestyle.

Founded in 1988 by the Charoen Pokphand Group, CP All was granted the licensing rights for 7-Eleven, then based in the US, that year.

Since the first store opened on Patpong Road in 1989, 10,268 7-Eleven stores have mushroomed in Thailand as of January 2018, with about 50% located in Bangkok, according to Nikkei Asian Review.

Some 6,000 companies supply 7-Eleven. Of the total, 2,200 are small and medium-sized enterprises, contributing a total of 22,000 products.

The convenience store chain sells products to 30 million customers a week.

CP All’s capital expenditure in

2018 is likely to be a par with last year, when the company spent 20 billion baht to finance 710 new branches and renovate its existing stores, IT facilities and open a new distribution centre, said a source who requested anonymity.

The expansion will bring the number of 7-Eleven stores in Thailand to 11,000, the source said.

CP All reported revenue of 489.4 billion baht in 2017, an increase from 452 billion and 406 billion in 2016 and 2015, respectively. Net profit came in at 20 billion baht, up from 17 billion in 2016 and 14 billion in 2015.

Regarding the amended banking agent regulations allowing financial institutions to appoint agents offer financial transaction services such as money deposits, transfers, withdrawals and payment, Mr. Suphachai said 7-Eleven has the ability to become a banking agent to support the development of financial servings.

“It would be good for all banks if [7-Eleven] conducts over-the-counter cash withdrawals, as any bank [customers] could withdraw money as 7-Eleven store,” he said.

7-Eleven has been studying the business model of Seven & I Holdings Co Ltd, which owns Seven Bank in Japan.

“Eventually, [7-Eleven] should be like that [in terms of being designated as a banking agent] to serve [financial services offered by] all banks,” Mr. Suphachai said.

7-Eleven stores nationwide have ATMs situated nearby, but it remains to be seen whether these stores can be locations to conduct physical banking transactions such as over-the-counter cash withdrawals and money deposits.

Banking agents, under the amended regulations by the Bank of Thailand, will be permitted to provide cash withdrawals of up to 5,000 baht per transaction and 20,000 baht per day per customer.

Loan distribution, however, is not permitted through banking agents.

The expanded scope of banking agents comes as the closure off banks’ physical branches becomes more pervasive amid the rising use of digital channels.

Mr. Suphachai insists that the convenience store chain will not become a bank as many have speculated.



Product & Service Councils

Over the next two years, the conglomerate will continue to focus development on food and biotechnology, cloud technology and automation, as well as logistics and distribution channels, Mr. Suphachai said.

“We will focus equally on the development of these three areas,” he said. “This is deemed an evolutionary transformation for our existing businesses. For instance, if we focus on the agro-food business, but we do not develop biotechnology and genome, then it is tantamount to a regression in evolution.”

CP Group is also in the process of selecting a startup partner to develop its own pilot project in blockchain technology, Mr. Suphachai said, adding that there are no Thai startups in the selection procedure.

Blockchain technology can help support the conglomerate’s business operations related to trading partners and supply chain traceability, he said.

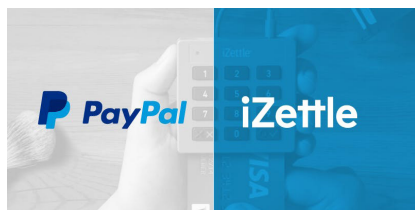
Overseas businesses contribute to 60% of CP Group’s revenue, he said, while the remaining 40% is derived from domestic operations.

Bangkok Post

ICT

PayPal purchases online commerce start-up iZettle

By AFP, San Francisco



PayPal Holdings Inc on Thursday announced a deal to buy Swedish online commerce start-up iZettle for US\$2.2 billion, a deal that came as the young company was poised for a stock market debut.

US-based PayPal, which was spun off eBay Inc three years ago, said that its biggest acquisition to date would strengthen its platform for handling payment transactions at small businesses, particularly in

Europe and Latin America.

“Small businesses are the engine of the global economy and we are continuing to expand our platform to help them compete and win online, in-store and via mobile,” PayPal chief executive officer Dan Schulman said in a statement. “In today’s digital world, consumers want to be able to buy when, where and how they want.”

The merging of iZettle and PayPal is a “strategic fit,” combining shared values and culture with complementary product offerings and geographies, Schulman said.

The iZettle platform for handling retail transactions is used by nearly 500,000 merchants, PayPal said.

The start-up has been compared to Square Inc, a payments platform cofounded by Twitter Inc chief executive officer Jack Dorsey that made it easy to take credit card payments using smartphones or tablets.

Buying iZettle would expand PayPal’s reach into shops in Brazil, Denmark, Finland, France, Germany, Italy, Mexico, the Netherlands, Norway, Spain and Sweden.

“Combining our assets and expertise with a global industry leader like PayPal allows us to deliver even more value to small businesses to help them succeed in a world of giants,” iZettle chief executive officer Jacob de Geer said in a statement.

The Stockholm-based start-up, which was founded in 2010, is expected to handle about US\$6 billion in transactions this year, taking in gross revenue of about US\$165 million in the process. The company said it expects to reach profitability by 2020.

After close of the acquisition, De Geer would remain in charge of iZettle, reporting to PayPal chief operating officer Bill Ready, the companies said.

Earlier this month, iZettle filed paperwork to go public with an offering of shares that valued the company at slightly more than US\$1 billion.

PayPal closed the NASDAQ trading day in New York with a market value of about US\$94 billion based on its share price, which rose a percent to US\$80 in after-hours trades.

Taipei Times

Developers turning to social media to boost sales: report

By Crystal Hsu



Taiwan’s major developers and builders are pursuing netizens to boost sales and brand awareness as social media gains importance and popularity, Shining Building Business Co said in a report.

A total of 49 percent of 70 listed firms have set up official accounts on social media networks such as Facebook, Instagram, YouTube and Line, the report found.

“The Internet has grown so prevalent and far-reaching that no real-estate company can afford to ignore it when planning marketing strategies,” the report said, adding that those accounts are aimed at attracting mainly young potential buyers.

In particular, 73 percent of developers have released commercials on YouTube to promote new projects, s videos have proven more effective in drawing attention and feedback, it said.

The bigger the number of followers, the stronger the brand recognition posts can achieve, it added.

Listed developers and builders own an average of 1.6 social media accounts to increase their media exposure, as their official Web pages no longer suffice, the report said.

The JUT Foundation for Arts and Architecture, which is intended to support parent company JUT Land Development Group, has the most followers, followed by JSL Group, the Fubon Charity Foundation, Kingdom Construction Corp and Shining Building, it said.

JSL outperformed its peers with 624,000 views last quarter, while Jin Ray Development Co finished a distant second with 177,000 views and Shining Building was third with 80,000 views, the report found.

Taipei Times

Fairs & Exhibits in Asia-Pacific

DATES 2018	NAME OF FAIR (Further Information)	COUNTRY	DATES 2018	NAME OF FAIR (Further Information)	COUNTRY
4-5 July 	16th ASEAN Ports and Shipping 2018 (Transport Events Management Limited, Tel: 60-87-426-022, Email: enquiries@transportevents.com, URL)	Johor Malaysia	13-15 July 	IEVE CHINA 2018 (Beijing Ze Anda Exhibition Co., Ltd., Tel: 86-10-6440-0661, Email: 1434130908@qq.com, URL: http://www.ievechina.com/index.html)	Beijing China
4-6 July 	LIFESTYLE EXPO TOKYO 2018 (Reed Exhibitions Japan Ltd., Tel: 81-33349-8505, Email: giftex@reedexpo.co.jp, URL: http://www.lifestyle-expo.jp/en/Home_summer/)	Tokyo Japan	13-16 July 	AGRI INTEX 2018 (CODISSIA, Tel: 91-422-222-2396, Email: agriintex@codissia.com, URL: http://www.agriintex.codissia.com/)	Coimbatore India
4-7 July 	ARCHIDEX 2018 (C.I.S NETWORK SDN BHD, Tel: 60-3-7982-4668, Email: info@archidex.com.my, URL: https://archidex.com.my/)	Kuala Lumpur / Malaysia	18-20 July 	Smart Engineering Tokyo 2018 (Japan Management Association, Tel: 81-3-3434-1988, Email: set@jma.or.jp, URL: https://www.jma.or.jp/set/en/index.html)	Tokyo Japan
6-8 July 	SEA 2018 (Vertical Expo Services Company Limited, Tel: 852-2528-0062, Email: info@SeniorExpoAsia.com, URL: http://www.seniorexpoasia.com/)	Hong Kong China	18-21 July 	Manufacturing Surabaya 2018 (Pamerindo Indonesia, Tel: 62-2125-25320, Email: maysia@pamerindo.com, URL)	Surabaya Indonesia
6-9 July 	2018 TCFB Taichung (Taiwan External Trade Development Council, TAITRA, Tel: 886-2-2725-5200, Email: TeaCos@taitra.org.tw, URL: https://www.tcfb.com.tw/)	Taichung Taiwan	19-22 July 	Décor + Design MEL/18 (Informa Australia, Tel: 61-2-9212-4108, Email: decordesign@infosalons.com.au, URL: https://www.decordesignshow.com.au/)	Melbourne Australia
8-12 July 	Singapore International Water Week 2018 (Singapore International Water Week, Tel: 65-6595-6303, Email: info@siww.com.sg, URL: https://www.siww.com.sg/)	Singapore Singapore	19-22 July 	Seoul Auto Salon 2018 (Ministry of Trade Industry and Energy / Ministry of Land, Infrastructure and Transport, Tel: 82-2-2284-0013, Email: chj@seoulmesse.com, URL)	Seoul Korea
9-12 July 	Cosmobeaute Asia 2018 (ECMI ITE Asia Sdn Bhd., Tel: 60-3-5022-1951, Email: sharon@ecmi.com.my, URL: http://www.cosmobeauteasia.com/)	Kuala Lumpur / Malaysia	20-22 July 	International Snack Fair Taiwan (KAIGO Co. Ltd., Tel: 886-2-2595-4212, Email: isf@kaigo.com.tw, URL: http://en.snackfair.com.tw/)	Taipei Taiwan
11-13 July 	IFLE VIETNAM 2018 (Top Repute Co., Ltd., Tel: 852-2851-8603, Email: topreput@top-repute.com, URL: http://www.ifle-vietnam.com/templates/ifle-vietnam/index.php)	Ho-Chi-Minh City / Vietnam	24-26 July 	QME 2018 (Reed Exhibitions Australia Pty Ltd., Tel: 61-2-9422-2955, Email: qme@reedexhibitions.com.au, URL: http://www.queenslandminingexpo.com.au/)	Mackay Australia
11-13 July 	9th Eco-Friendly Office/Eco-Friendly Factory Expo (Reed Exhibitions Japan Ltd., Tel: 81-3-3349-8515, Email: eco-expo@reedexpo.co.jp, URL: http://www.eco-expo.jp/tokyo/)	Tokyo Japan	25-28 July 	PackPlus 2018 (Next Events (P) Ltd., Tel: 91-22-2781-2093, Email: info@nextevents.in, URL: http://www.packplus.in/)	New Delhi India
11-13 July 	MAGNESIUM CHINA 2018 (Reed Exhibitions (Chia) Limited, Tel: 86-10-5933-9000, Email: alu@reedexpo.com.cn, URL)	Shanghai China	26-29 July 	SIJE 2018 (Conference & Exhibition Management Services Pte Ltd., Tel: 65-6278-8666, Email: sije@cems.com.sg, URL)	Singapore Singapore
12-15 July 	ASEAN Retail 2018 (Kavin Intertrade Co., Ltd., Tel: 66-2-861-4013, Email: pipat.kavin@gmail.com, URL: http://www.aseanretailshow.com/)	Bangkok Thailand	26-31 July 	IGAS2018 (Japan Printing Machinery Association, Japan Association of Pre-Press & Digital Printing Systems Suppliers, Tel: 81-3-3434-2656, Email: igas@jpma-net.or.jp, URL)	Tokyo Japan
13-15 June 	PhilAuto2018 (AMB TARSUS EVENTS GROUPS SDN BHD., Tel: 603-2692-6888, Email: richard@ambtarsus.com, URL)	Manila Philippines	27-29 July 	20th Medcall (Medexpert Business Consultants Pvt Ltd., Tel: 91-7305-780-780, Email: info@medcall.in, URL: http://www.medcall.in/)	Chennai (Madras) / India

Investment & Joint Ventures in the Region

Singapore Airlines to absorb SilkAir after upgrade

By AFP, Singapore



A SilkAir plane sits besides a Singapore Airlines plane at Changi Airport in Singapore on Oct. 2, 2017.

Singapore Airlines Ltd (SIA) said on May 18th, it would absorb its struggling premium wing SilkAir following a multimillion-Singaporean-dollar upgrade as part of a reform drive to stay competitive.

The move comes after the firm, facing tough rivalry in the high-end market from other full-service airlines and in economy class from budget carriers, last year consolidated its low-cost units TigerAir and Scoot into a single entity in a streamlining exercise.

SIA said it would stump up more than S\$100 million (US\$74.5 million) on a cabin upgrade for the wholly owned subsidiary.

The overhaul is expected to start in 2020 and the merger would take place after a sufficient number of aircraft have had their cabins redesigned, the firm added.

Yesterday's announcement "is a significant development to provide more growth opportunities and prepare the group for an even stronger future," SIA chief executive officer Goh Choon Phong said.

Last year it embarked on a three-year transformation program in a bid to fend off competition.

SIA on Thursday said the transformation has started to bear fruit, with group net profit climbing 148 percent to S\$893 million in the year ended March 31.

However, SilkAir, a full-fare carrier that flies largely to holiday spots across Asia, turned in the weakest performance in the group with operating profit tumbling 57

percent to S\$43 million.

The merger "should have been done years ago, because SilkAir has always been the weakest link within the SIA group," Endau Analytics analyst Shukor Yusof said.

SilkAir was losing to the competition because as a premium airline, it charges full fares while a host of regional budget carriers sell tickets to the same destinations at a fraction of the cost, Shukor said.

"For SIA, the cost of running SilkAir is very expensive," he said. "As a full-fare airline, flying to a niche resort destination is a very difficult market to make money from, because the market these days is focused on carriers offering cheap fares. It's all about costs."

Taipei Times

Victor Rackets plans to push into Indian market

By Kuo Chia-Erh

Taipei-headquartered Victor Rackets Industrial Corp, the world's second-largest badminton racket supplier, yesterday said it aims to explore opportunities in India's rapidly growing badminton market.

"We aim to raise Victor's Indian market share to about 10 percent in the next five years, compared with the current share of between 3 and 5 percent," said Joe Ko, managing director of the company's Indian subsidiary, Victor Rackets Pvt Ltd.

Badminton is the second most played sport in India after cricket, and the number of Indian participants in the sport is increasing because of the country's growing middle class, Ko said on the sidelines of the Taiwan Expo in New Delhi.

Victor Rackets began developing sales channels in India in 2014 in a bid to catch up with a major competitor, he said, referring to Japan's Yonex Co Ltd, which controls about 90 percent of the market there.

The 50-year-old company declined to elaborate on its shipments to India, but said it has seen rapid sales growth in the market.

In the near term, it would focus on

increasing brand recognition in the country, rather than simply pursuing high profitability, the company said, adding that its Indian subsidiary would continue pouring resources into marketing campaigns, despite not having broken even since entering the market four years ago.

As part of its effort to impress local customers, the company plans to sponsor India's top-ranked badminton players and improve its service on e-commerce platforms, such as Amazon.com.

"After all, we are not here to build factories... We are here to develop our own brand and grab a larger market share in India," Ko said, adding that the company would not try to take shortcuts.

Ko, who also serves as the president of the Taiwan Chamber of Commerce in Delhi, said Taiwanese suppliers should play to their strengths if they want to expand their presence in India.

"Some Taiwanese businesspeople hope to quickly set up branches or plants in India, but you have to first think about your target market and what niche products will work," Ko said.

Taipei Times

Formosa to fire up second furnace at Vietnam plant

By Kuo Chia-Erh



台塑企業
FORMOSA PLASTICS GROUP

Formosa Plastics Group, the nation's largest industrial conglomerate, said it would today fire up the second blast furnace at its Vietnamese venture, Formosa Ha Tinh Steel Corp, marketing the completion of the first phase of its construction of the steel mill.

The blast furnace was approved by the Vietnamese authorities last week, the group said in a statement on May 17th.

The first furnace began production in 2017.

The firm forecast its Vietnamese

Investment & Joint Ventures in the Region

unit would generate US\$2.5 billion in revenue this year, with an expected sales volume of 4.65 million tonnes of steel products.

That would translate into about 1.27 percent of Vietnam's GDP this year, up from 0.45 percent last year, the group said.

The investment by Formosa Ha Tinh Steel is the largest foreign direct investment in Vietnam and also the biggest integrated steel mill in Southeast Asia, the group said.

The steel mill produced 1.6 million tonnes of steel last year and sold 1.37 million tonnes, the group said.

Taipei Times

Toshiba-Bain deal approved

Toshiba Corp received regulatory approval from China for the sale of its memorychip business, clearing the way for the ¥2 trillion (US\$18 billion) deal with a group led by Bain Capital. The sale of the semiconductor business is to take place on June 1 after approval was gained from all necessary regulators, the Tokyo-based company said in a statement on Thursday. "We are making this important investment because we see the opportunity to further grow Toshiba Memory Corporation," Bain Capital said. Bain's group includes SK Hynix Inc, Apple Inc, Hoya Corp and Seagate Technology PLC with Toshiba to retain a stake in the business.

Taipei Times

Ta Chen plans to invest US\$1bn in US

By Staff writer, with CAN



LOCALLY MADE: Ta Chen and its affiliate Brighton-Best International are considering options to set up their own factory or buying a US production site for the investment

Ta Chen Stainless Pipe Co, the largest stainless steel distributor in the US, is to join forces with an affiliate to invest US\$1 billion in the US, eyeing rising de-

mand for aluminum products there.

Ta Chen said it would work with Brighton-Best International Inc to produce aluminum coils and plates in the US in response to US President Donald Trump's "America first" policy, which includes attracting investments to and creating jobs in the US.

The plan came after Ta Chen last year acquired an aluminum company in the US to produce aluminum products and import products into the US.

Aluminum coil and plate supplies in the US market are tight after Washington limited Chinese imports late last year, accusing Chinese firms of selling their products at unfairly low prices, Ta Chen said.

However, demand in the US remains solid, so aluminum coil and plate prices have been rising, which prompted Ta Chen and Brighton-Best to study the possibility of producing the products there, it said.

Ta Chen is to invest US\$510 million and Brighton-Best is to invest the remaining US\$490 million.

The plan is subject to a review by the Investment Commission.

Ta Chen said the companies are considering options to set up their own aluminum plant or acquire a US production site for the investment.

Trump on March 8 signed an order under Section 232 of the US' Trade Expansion Act of 1962 to impose additional tariffs on imported steel and aluminum by 25 percent and 10 percent respectively.

Ta Chen is one of the Taiwanese companies that could be negatively affected by the tariffs.

While Taiwan is seeking an exemption from the tariffs, Ta Chen's move could reduce their negative effects on the company, as products made in the US are not subject to tariffs, market analysts have said.

Ta Chen said the company has to have its operations registered in the US to have a chance of becoming profitable there.

Ta Chen posted NT\$1.33 billion (US\$44.67 million) in net profit for the first quarter of this year, up 475.35 percent from a year earlier, with earnings per share of NT\$1.38, compared with NT\$0.27 for the same period last year, a company filing

with the Taiwan Stock Exchange showed.

Brighton-Best's net profit stood at NT\$260 million in the January-to-March period, up 95.23 percent from a year earlier, while earnings per share rose to NT\$0.43 from NT\$0.23 during the period.

Ta Chen shared on Friday closed up 2.05 percent at NT\$34.8 in Taipei trading, while Brighton-Best moved 0.8 percent higher to NT\$25.1.

Taipei Times

Nissan taps Malaysia for Serena factory



paultan.org

NNA/KYODO – Nissan Motor Co. has picked Malaysia to launch a fully remodeled version of its popular Serena hybrid multipurpose vehicle, the first of its minivan series assembled outside Japan.

The all-new Nissan Serena 2.0L S-Hybrid has attracted 1,300 purchase bookings since April, reflecting strong demand for family-oriented models in Malaysia.

Edaran Tan Chong Motor Sdn Bhd., the sole distributor and assembler of Nissan brand cars in the Southeast Asian country, said it aims to sell 500 units a month this year.

The local distributor started delivery Monday of two new grades – Highway Star and Premium Highway Star – with price tags of 135,000 ringgit (about \$34,000) and 147,000 ringgit, respectively.

"We've found Malaysian families prefer MPV vehicles," said Ayako Nakamura, vice president in charge of business operations at Nissan Motor Asia Pacific Co., the carmaker's Bangkok-based regional headquarters.

Japan Times

ANA to sell Japan tours to wealthy Indians

NEW DELHI/JIJI – All Nippon Airways will release package tours to Japan for wealthy families living in and around New Delhi, possibly as early as June, sources said.

The products, to be sold in cooperation with an Indian travel company, will be priced lower than tours to Europe, which are popular in the South Asian country.

ANA Holdings Inc. will offer trips to Tokyo, those covering the so-called Golden Route including Tokyo, Kyoto and Osaka, and those taking visitors to Hiroshima in addition to the Golden Route destinations. Prices are expected to stand at

80,000 to 160,000 rupees, or ¥130,000 to ¥250,000.

Japan Times

Yaskawa to increase its investment in Slovenia

REUTERS – Electrical equipment-producer Yaskawa, which is building an industrial robot factory in Slovenia, has decided to build another factory in the country to produce electrical components.

The new factory will make inverters, servo drives and servo motors, Yaskawa said Monday.

“Expanding our production capacity will enable us to further improve the supply chain, shorten our lead times and

enhance the service for our European customers,” Manfred Stern, head of Yaskawa Europe, said in a statement.

Yaskawa did not reveal the value of the new investment, but according to local media it will be worth some €25 million (\$30 million) and will create up to 250 new jobs.

The company already makes industrial robot parts in Slovenia. The factory, which will start operating within two years, will be located close to Yaskawa’s robot factory in Kocevje, in southern Slovenia, which is under construction and will start production at the end of this year.

Japan Times

Policy Updates

Laos

Strategic plan to effectively reform State-owned enterprises

The Ministry of Finance in Laos is currently drafting a strategic plan for State-owned enterprises reforms after finding that many of them are not performing well. According to the State-Owned Enterprise Development and Insurance Department under the ministry, Laos has about 183 State-owned enterprises, but most of them are facing capital losses. This is the main reason for the government seeking and creating suitable mechanisms to address this problem.

The Deputy Prime Minister and Minister of Finance, Mr Somdy Douangdy, told *Vientiane Times* on Thursday “We are reconsidering the plan prepared by the responsible sector and expect to complete it within this year. Then it will be submitted to the government for consideration and approval.”

Authorities are projecting the strategic plan as a big step to reduce the financial burdens created for the government by inefficient enterprises.

Mr Somdy said State businesses have been constantly improved to ensure they operate in a better manner. In the past, reforms were implemented according to

the national social-economic development plans.

In previous years, State businesses were enhanced through means that coincided with the competitive market economy, such as adjusting business and financial plans of some enterprises and seeking other business partners to have joint ventures with some non-performing State-owned enterprises, including two banks, the Lao Development Bank and Agriculture Promotion Bank.

Vientiane Times

Govt approves minimum wage increase

By Somsack Pongkhao

The government has approved a minimum wage increase from the present 900,000 kip to 1.1 million kip a month, according to the Prime Minister’s Office.

The pay rise is expected to take place from May 1 this year when Laos celebrates International Labour Day and should bring price and pleasure to all Lao workers.

The Ministry of Labour and Social Welfare has been entrusted to play an active role in collaborating with other relevant sectors to implement the government’s notice.

In recent years, the government has approved increases in the minimum

wage to enable workers to cope with the rising cost of living. In 2012 the government raised the minimum wage from 348,000 kip to 626,000 kip a month, and in 2015 ordered a further hike to 900,000 kip a month.

According to the Lao Federation of Trade Unions, last year Laos had about 551,200 labourers, many of whom are largely unskilled, with some 70 percent working in the industrial sector.

Vientiane Times

PM outlines agenda to drive growth

By Times Reporters



Prime Minister Thongloun Sisoulith has told relevant bodies to carry out studies to establish appropriate bank loan interest rates favourable for boosting business operations and investment.

The relevant departments were

Policy Updates

told to create conditions to enable businesses to access financial sources more easily.

The suggestion was made amid reports suggesting that Lao small and medium enterprises have been encountering difficulties in accessing bank loans hindering the development of the SMEs.

PM Thongloun pressed on the need to intensify action to improve the ease-of-doing-business climate in an attempt to attract greater private investment, especially foreign investment to drive economic growth.

The cabinet was told to manage inflation and exchange rates at levels conducive to socio-economic development. In an attempt to meet revenue collection targets, the premier ordered action to close loopholes preventing revenue leaks as well as tax and customs avoidance.

The head of the government told the Lao ministries and sectors to take prompt action to work with their Vietnamese counterparts to realise bilateral cooperation of projects, which the two governments have agreed upon.

They include the planned development of the Vung Ang seaport project in Vietnam's central Ha Tinh province – a joint venture project to enable Laos to access sea trade routes as well as the planned Mekong Hydropower project in Luang Prabang province.

Vietnam Times

Govt urging exporters to self-certify country of origin

By Time Reporters

The Import and Export Department is working hard to create awareness among the business community about self-issuing certificates of origin (CO) in order to avoid errors in processing exports.

The certification directly benefits entrepreneurs, companies and importers by offering trade facilitation for the export of products, especially to countries that provide preferential treatment to goods from Laos. Certifying country of origin allows for customs rate reduction for imports in destination countries and reduces import and export documentation procedures as well as time and costs.

This certification also helps attract more foreign investors to Laos, according to an officer of the Department of Import and Export, Ministry of Industry and Commerce.

At present, most local companies and entrepreneurs recognize the importance of this certification but don't have a detailed understanding of the document's implementation.

In previous years, the department organized numerous workshops on Certifying Rules of Origin for employees who are responsible for CO and to create a better understanding of theories and practices for self-certifying rules of origin but some businesses have been unable to issue the certificates.

Vientiane Times

Singapore

Six industry clusters to drive economic transformation

SINGAPORE (The Straits Times) – The next phase of Singapore's economic transformation will involve deepening linkages between complementary industries by grouping them into clusters, said Finance Minister Heng Swee Keat.

The aim is to position Singapore as a key node for technology, innovation and enterprise in Asia and around the world.

The latest move comes after the Government rolled out 23 sector-specific road maps for transforming key industries, called Industry Transformation Maps (ITMs). A total of 23 road maps covering 80 per cent of the Singapore economy have been launched.

These sectors will now be grouped into six clusters to maximise opportunities for collaboration, Mr. Heng said at a media briefing yesterday.

The six clusters - each helmed by a minister and at least one private-sector or union representative - will be unveiling plans in the coming months to promote innovation and encourage partnerships within these sectors.

The clusters are: manufacturing, built environment, trade and connectivity,

essential domestic services, modern services and lifestyle.

Such an approach will help bring diverse capabilities together, said Mr. Heng. For example, in the lifestyle cluster, there is scope to explore how firms in hotel services and food services can work together to bring major events and conferences to Singapore, as well as improve experiences for tourists.

Vientiane Times

Taiwan

New bureau to aid foreign investors, professionals

By Staff writer, with CNA

The Ministry of Economic Affairs is to launch a new office in June to attract more foreign investment and professionals.

The Invest Taiwan Office is to incorporate other ministry services, such as the InvesTaiwan Service Center and Contact Taiwan Web site, into a platform to recruit foreign professionals, a plan unveiled by the ministry last week showed.

The office is part of the government's expedited efforts to bring more foreign investors to Taiwan, Department of Investment Services Director-General Chang Min-pin said.

Under the office, the government would offer tailored services to foreign companies that are interested in coming to Taiwan and would help them recruit employees, said Chang, who is also executive secretary of the Investment Commission.

Taipei Times

Cabinet eyes salary hike to NT\$30,000 per month

By Staff writer, with CNA

The Executive Yuan on May 14th unveiled a set of plans to increase the wages of low-paid works, including hiking the minimum wage for government employees to NT\$30,000 (US\$1,009) per month, encouraging or pressing private firms to follow suit, and raising the statutory hourly wage rate to NT\$150 from NT\$140.

A Cabinet report presented by

Policy Updates

Vice Premier Shih Jun-ji at a news conference showed the number of employees who earned less than NT\$30,000 per month last year was about 3.051 million, or 34 percent of the employed population, 51.8 percent of whom were 15 to 29 years old.

Atypical workers – those who have no fixed term of employment, including part-time workers, out-sourced workers and workers on temporary contracts – accounted for a large percentage of the low-wage population, the report showed.

Last year, there were 805,000 atypical workers in the nation, accounting for 7.11 percent of the total working population, which was an increase of 155,000 from 2008, the report showed.

As of May last year, the average salary of atypical workers was about NT22,550, just above the statutory minimum monthly wage of NT\$22,000, Directorate-General of Budget, Accounting and Statistics data showed.

Taipei Times

Cabinet bill aims to attract foreign professionals

By Lin Chia-Nan

The Cabinet recently proposed a draft act aimed at attracting foreign professionals, technicians, business immigrants and Taiwanese expatriates to supplement the nation's labor pool.

With its declining birthrate and aging population, Taiwan would start to have negative population growth by 2025, Premier William Lai told a news conference at the Executive Yuan in Taipei, adding that the population is expected to decline from more than 23 million to fewer than 20 million by 2035.

As of August last year, the nation had a labor shortage of 218,000 people, excluding the agricultural sector, National Development Council Minister Chen Meiling said, adding that it needed 120,000 more middle-level technicians.

The council proposed a draft act for new economic immigration to encourage more foreigners and Taiwanese expatriates to join the nation's workforce, be they technicians, professionals or business-people, Chen said.

Foreign professionals who want to apply for permanent residency are required to stay in the nation for five consecutive years, but the bill proposes shortening the period to three years for special professionals, she said.

Taipei Times

Biotech 'next NT\$1tn industry'

By Ted Chen / Staff reporter, with CAN



HSINCHU SPEECH: The VP said cultivating personnel would be key as he addressed the inauguration of an R&D and training program between the ITRI and Merck KGaA

The government has set sights on biotechnology as the nation's next NT\$1 trillion (US\$33.6 billion) industry, Vice President Chen Chien-Jen said.

Biotechnology is part of the government's efforts in industrial innovation, which is at the top of President Tsai Yingwen's agenda for industrial restructuring to boost global competitiveness.

The "five plus two" industries refer to the government's seven development projects aimed at transforming the nation's economic and industrial structures, including projects related to the "Asian Silicon Valley" development plan, as well as the biotech, green energy, aviation, smart machinery and defense industries.

The production value of the local biotech industry stood at NT\$315 billion in 2016, up from NT\$298.6 billion in 2015, according to the Ministry of Economic Affairs.

Cultivating personnel in precision medicine, one of the fastest growing segment in the biomedicine in the past few years, would be crucial to the endeavor, Chen said in a speech at the inauguration of a research and development (R&D) and

training collaboration program between the government's Industrial Technology Research Institute (ITRI) and Germany-based pharmaceutical and life science giant Merck KGaA.

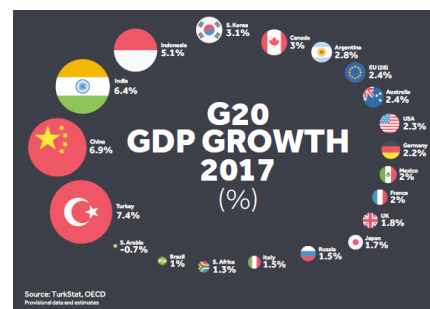
ITRI and Merck in March signed a memorandum of understanding for program to set up an innovation campus at the institute's Guangfu campus in Hsinchu.

The partnership, which is to continue for 18 months, is aimed at cultivating 120 high-end biotech professionals in one year.

Taipei Times

Turkey

Fastest Growing G20 Country in 2017



Beating expectations, the Turkish economy grew by 7.4 percent in 2017 according to data released by the Turkish Statistical Institute (TurkStat). The high growth rate saw Turkey become the fastest growing G20 economy in 2017, surpassing China and India, which recorded 6.9 percent and 6.4 percent growth respectively. Turkey's GDP growth rate for the last quarter of 2017 was 7.3 percent, and the sharp 11.1 percent growth in the third quarter of 2017 was revised to 11.3 percent.

Fiscal measures taken by the government, such as the Credit Guarantee Fund, have spurred a strong increase in economic activity in Turkey and have had a favorable impact on the robust growth achieved in 2017. The growth was mainly fueled by strong household consumption and rising investments, which respectively contributed 3.7pp and 2.2pp to the 7.4 percent growth rate in 2017. Investments in the machinery sector also continued to show signs of optimism.

Policy Updates

Recently announced super incentives for a number of investment projects are also expected to accelerate growth in 2018. The growth figure of Turkey in 2017 is likely to cause an upward revision to international organizations' growth forecasts for this year.

Invest in Turkey

Vietnam

Ministry proposes tobacco tax increase to VNĐ2,000

HCM CITY – The Ministry of Health (MoH) on Thursday proposed to raise the tax on tobacco at a press conference on tobacco prevention hosted by the Ministry of Information and Communications.

According to the proposal, the tax imposed on a pack of cigarettes is expected to increase to VNĐ2,000 (8.8 cents). Meanwhile, the draft law on Special Consumption Tax, which will come into effect in 2020, plans to put a tax of VNĐ1,000 (4.4 cents) on a pack of cigarettes or increase the tax from 75 to 80 percent of the tobacco's price from 2020 onwards and from 80 to 85 percent from 2021 onwards.

Currently, tax on tobacco is 70 percent of their prices.

The taxation policy aims to gain an additional tobacco tax revenue of VNĐ6.3 trillion (\$280 million) per year, decreasing the rate of male smokers by three percent and reducing 300,000 early deaths caused by smoking.

Vietnam News

Gov't announces borrowing plans for 2018

Loans will be used to balance the budget, offset overspending and re-lend to firms.

HÀ NỘI – The Prime Minister Nguyễn Xuân Phúc has announced the Government's plans on borrowing, repayment and borrowing limits for 2018.

Under Decision 437/QĐ-TTg issued last Saturday, the Government has approved plans to borrow VNĐ384 trillion (US\$16.91 billion) this year, of which VNĐ275.97 trillion will come from domestic loans and the rest will be foreign loans.

The loans will be used for balancing the State budget (VNĐ341.77 trillion), offsetting budget overspending (VNĐ195 billion), repaying principal (VNĐ146.77 trillion) and re-lending to enterprises (VNĐ42.23 trillion).

The Government also plans to pay VNĐ256.769 trillion worth of debts in

2018.

Under the decision, the Prime Minister also approved plans on borrowing limits guaranteed by the Government. The limits for domestic bond issuance of Việt Nam Development Bank and Việt Nam Bank for Social Policies are VNĐ24.43 trillion and VNĐ9.67 trillion, respectively.

The limit for domestic and foreign borrowing for firms' projects guaranteed by the Government are set at VNĐ2 trillion and \$700 million maximum, respectively.

Vietnam News

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

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

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

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