



### TOBB Issues 32nd CACCI Conference Brochure



The Union of Chambers and Commodity Exchanges of Turkey (TOBB) has issued the brochure of the 32nd CACCI Conference scheduled to take place on November 23-24, 2018 at the Çırağan Palace Kempinski in İstanbul, Turkey. It contains relevant information about this year's gathering aimed at further raising CACCI members' interest to join the Conference.

Hosted by the Union of Chambers of Commerce and Commodity Exchanges of Turkey (TOBB), the umbrella organization of the business community of Turkey representing 1.5 million member companies, the İstanbul Conference will be organized under the patronage of H.E. Recep Tayyip Erdoğan, President of Turkey.

The Conference theme is "Asia: Expanding Boundaries" and is designed to provide another valuable platform for

CACCI members and invited experts to exchange views on measures that the business sector and governments in the region can undertake to address the challenges faced by businesses in the current market environment, as well as to take full advantage of the opportunities offered not just by markets in the Asia-Pacific region but by countries in other parts of the world.

Speakers from government, the private sector, and the academe will share their valuable perspectives on the following Session topics: (a) The Changing Role of Chambers in Promoting Business; (b) Innovation and Digitization: Implications for Business; (c) Regional Integration and Connectivity for Sustainable Development; and (d) A New World Economic Order: What It Means for Asia.



#### In this Issue:

- CACCI President Invited to B20 Summit .. 2
- CACCI Supports Forum Organized by CCPIT Commercial Sub-Council ..... 2
- Por-Fong Lin Re-Elected CNAIC Chair ..... 3
- ICC Invites CACCI Members to IP Week .. 3
- Illicit Trade a Growing Concern in Asia-Pacific ..... 4
- As Technology Spreads Through the Workforce, Are Humans Underrated? ..... 6
- Boost Future Organizations with Digital Benefits ..... 7
- What Will Asia's Workplace of Tomorrow Look Like? ..... 9
- Economic Outlook for Developing Asia Remains Stable: ADB ..... 10
- Publications by ADB ..... 11
- Other Regular Features ..... 11, 16
- Fairs & Exhibits in Asia-Pacific ..... 15

# CACCI President Invited to B20 Summit in Argentina



B20 SUMMIT  
ARGENTINA 2018

Mr. Jemal Inaishvili, President of the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI), has been invited to attend the B20 Summit to be held on October 4-5, 2018 in Buenos Aires, Argentina.

The Summit is expected to gather some 1,200 business leaders from around the world. The high-level representatives from business will present B20 recommendations and debate on the issues that are shaping our economies today and will have substantial impact on our future.

The B20 – currently chaired by Argentina - is a platform that serves as an intermediary group between G20 governments and the international business community. Its primary mission is to deal with the urgent and significant global issues by developing actionable recommendations from global business leaders to the G20 Leaders. These issues are addressed by the various Task Forces set up for this purpose, including the Task Force on Trade and Investment, of which Mr. Inaishvili as CACCI President is a member.

## CACCI Supports Forum Organized by CCPIT Commercial Sub-Council



CHINA COUNCIL FOR THE PROMOTION OF INTERNATIONAL TRADE

CACCI President Mr. Jemal Inaishvili expressed his support and endorsement of the Second Session of the Asian Marketing Summit and China Brand Globalization Forum (AMS&CBGF) organized by the CCPIT Commercial Sub-Council on September 18, 2018 in Guangzhou.

In his support message to the CCPIT Commercial Sub-Council, Mr. Inaishvili commends the Sub-Council for its continued efforts to provide a platform for businessmen from Asia and the rest of the world to explore how they can cooperate together in promoting competitiveness in the global markets through strong branding and the creation of an environment conducive to brand development.

“We are confident the holding of the AMS&CBGF will go a long way in accelerating the process of internationalization for many enterprises in the region,” Mr. Inaishvili added.

According to Mr. Inaishvili, CACCI’s relationship with CCPIT Commercial Sub-Council has prospered into a

strong partnership over the last four years. “Since it joined the Confederation as Affiliate Member in 2014, the CCPIT Commercial Sub-Council has been an important source of support in our efforts to bring together the business communities of the region. With its strong links to the businessmen in China and other countries in the region, the CCPIT Commercial Sub-Council has played a significant role in tapping the expertise and resources of China’s business sector to help enhance regional economic cooperation and growth.”

The CACCI President added: “With the strong dedication and commitment of its officers to the chamber movement in the region, we are confident that CCPIT Commercial Sub-Council will continue to promote – through activities such as the AMS&CBGF - the interest of the Chinese business sector and will further strengthen its contribution to the development of the country - and the Asia-Pacific region as a whole - in the years ahead.”

## Por-Fong Lin Re-Elected CNAIC Chairman

The Chinese National Association of Industry and Commerce (CNAIC), a Primary Member of CACCI from Taiwan, has re-elected Mr. Por-Fong Lin as its Chairman for the next four years. Mr. Lin was given a fresh mandate to lead the Association during its 25th General Assembly held on June 25, 2018 in Taipei. He first assumed the position in June 2014.

Mr. Lin is Chairman of the Taiwan Glass Industry Corporation. Aside from the chairmanship of CNAIC, he also holds key positions in other business organizations in Taiwan. Mr. Lin is Vice Chairman of the Third Wednesday Club, Honorary Founding President of the Kunshan Taiwanese Business Association, and Advisor of the Association of Taiwan Investment Enterprises on the Mainland. He obtained his education from Shih Hsin University, Department of Journalism.

The 25th General Assembly held on June 25 saw the election of CNAIC's 25th Directors of the Board, Board of Supervisors, Alternate Directors of the Board, and Alternate Board of Supervisors. During the first meeting of the 25th Directors of the Board and Board of Supervisors later that day, three prominent Taiwanese businessmen were voted to be vice chairmen, namely: Mr. Daniel M. Tsai, Chairman of Fubon Group; Mr. Chiao-Chang Huang, Chairman of Tai Lung Corporation; and Mr. Allen K.L. Kao, Chairman of Eternal Group. In addition, the CNAIC elected the Convenor of the Board of Supervisors, the Executive Direc-



tors of the Board, and the Executive Supervisors of the Board.

CNAIC is one of the founding members of CACCI and remains one of its most active supporters. Established in 1952 as the first nationwide business organization in Taiwan, it currently has approximately 1,200 members affiliated with both large corporations as well as the small and medium enterprises. The purpose of CNAIC is to bring the domestic and international business organizations together, increase mutual understanding, strengthen cooperation, and work in accordance with the government's economic policies to foster the development of Taiwan's industrial and commercial sectors.

## ICC Invites CACCI Members to IP Week @ SG



Members of the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) are being invited by the International Chamber of Commerce (ICC) to the 7th edition of IP Week @ SG that will take place on 4-5 September in Singapore in partnership with the ICC.

Themed "Ideas to Assets – Connecting markets through IP", IP Week @ SG 2018 features the world's foremost IP thought leaders, legal experts and innovative companies, to share insights on IP commercialisation and winning strategies for business growth. The event expects over 3,000 attendees from more than 40 countries and will bring together the innovation community to celebrate, network and collaborate. The whole program is available online.

Several events will also be organised around IP Week @ SG, including the IP Market Place, a free platform to connect with exhibitors, IP experts and fellow participants over coffee and consult IP experts on IP commercialisation, protection, valuation and government support.

Among the activities of the IP Market place, Connections @ IP Market Place, a business-meets-service provider platform at IP Week at SG 2018, will offer complimentary consultation sessions with IP experts. If you want to attend this event and secure slots with experts of your choice, you may contact Ms. Daphne Yong-d'herve at [dye@iccwbo.org](mailto:dye@iccwbo.org).

# Illicit Trade a Growing Concern in Asia-Pacific

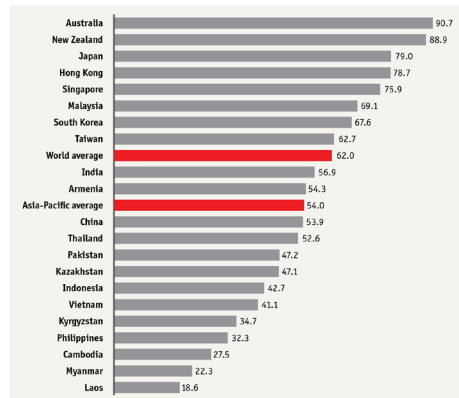
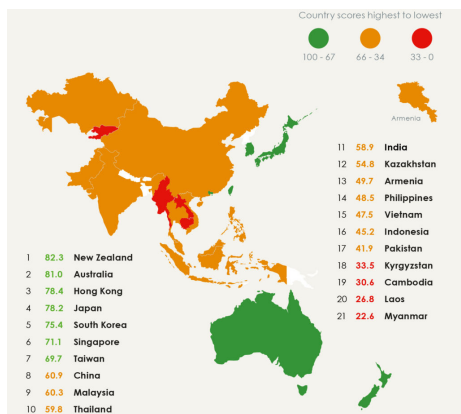
BRINK Asia Editorial Staff

Illicit trade is a strain on the global economy, and the problem is even more pronounced in Asia-Pacific. The Global Illicit Trade Environment Index by the Economist Intelligence Unit sheds light on the “underlying vulnerabilities in economies that give rise to illicit trade or fail to inhibit it.” While it is difficult to accurately gauge the volume of illicit trade in monetary terms, it is clear that significant sums of money are involved, and countries worldwide consider it a priority to respond.

## New Zealand Stands Out

Highlighting its impact on the Asia-Pacific region, Steven Galster, founder and executive director of the Freeland Foundation, stated that “due to rising affluence in Asia and other major consuming economies, illicit trade volumes have gone up.”

New Zealand, however, is a strong model for the region. In fact, the country ranks first in the Asia-Pacific region in terms of successfully deterring illicit trade, with a score of 82.3 (out of 100). In the rankings, New Zealand is closely followed by Australia (81), Hong Kong (78.4) and Japan (78.2). The second tier rankings include South Korea, Singapore, Taiwan, China and Malaysia, with scores ranging from 60 to 76. Thailand, India, Kazakhstan, Armenia, the Philippines, Vietnam, Indonesia and Pakistan follow, while rounding off the list are Kyrgyzstan, Cambodia, Laos and Myanmar.



Government Policy (Asia Results)

## Government Policy

The government policy category of the index is a measure of the readiness of policy and legal approaches in a country to monitor and prevent illicit trade. This category measures the extent to which a country has entered into 14 conventions related to illicit trade, its compliance with the Financial Action Task Force money laundering provisions, its stance on intellectual property (IP) protection, its approach toward corruption, its law enforcement adoption, the extent of interagency collaboration and its level of cybersecurity preparedness.

Australia tops this category, closely followed by New Zealand. Japan, Hong Kong and Singapore complete the top five rankings. India and China rank ninth and 11th, respectively, in the region, and 51st and 58th globally. Cambodia and Myanmar are poor performers, both in the regional and global contexts. In general, Asia-Pacific performs poorly, with an average score of 54; the global average is 62.

A critical parameter of this category is IP protection. The index measures the standard of each economy’s IP laws. On this measure, Asia performs poorly, with an average score of 40; Europe and the Americas score 66 and 51, respectively. China ranks sixth in the region, while India ranks last. Within the region, Singapore and Australia top this parameter due to maintaining tough IP standards.

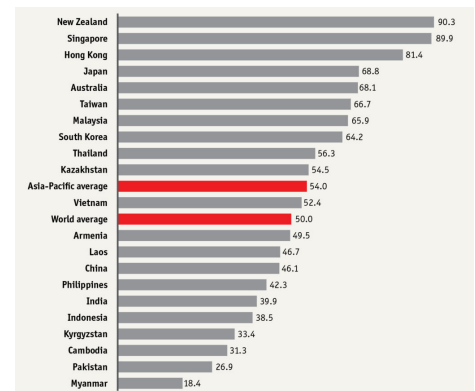
However, it appears that steps are being taken to move the region in the right direction. “We see that many jurisdictions

in Asia are increasingly taking anti-counterfeiting very seriously,” said Seth Hays, chief representative, Asia-Pacific, at the International Trademark Association.

## Supply and Demand

The supply and demand category measures the domestic environment that encourages or discourages the supply and demand in illicit goods. The category also measures the level of corporate taxation and social security burdens, quality of state institutions, labor market regulations, and perceptions of the extent to which organized crime imposes costs on business.

Asia registered a decent performance (54), which was almost on par with Europe (55) and significantly better than the Americas (42). This was largely on account of the stellar performance of economies such as New Zealand, Singapore and Hong Kong, which secured first, second and fourth rankings, respectively, in the global Index.



Supply and Demand (Asia Results)

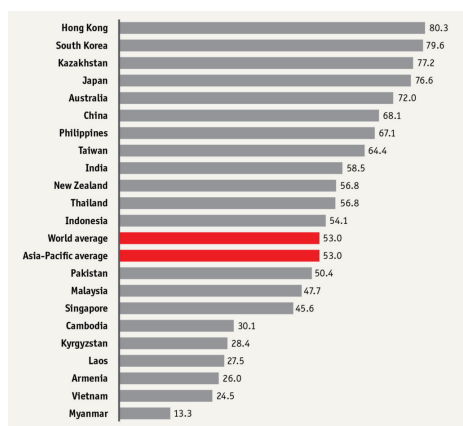
Educating the younger generation about illicit goods can also help reduce the demand for these goods. According to Etienne Sanz de Acedo, the CEO of the International Trademark Association, people will be discouraged to buy illicit goods if they are aware that “there might be a risk to their health and safety; it’s going to have an impact on legitimate businesses and companies; it’s going to have an impact on jobs within the country; and it’s going to have an impact on the ability of the country to



collect taxes to be able to invest that money into more social welfare.”

## Transparency and Trade

This category measures a country’s transparency in the context of illicit trade. It also highlights the degree to which countries exercise governance over their free trade zones (FTZ) and transshipments. The key indicators in this category are quality of consignment tracking and tracing services, effective implementation of Annex D of the Revised Kyoto Convention, the scope of monitoring and oversight at FTZs, and the degree to which governments report their efforts and share information to combat illicit trade.



Transparency and Trade (Asia Results)

The Asia-Pacific region registered significant progress in this respect. Hong Kong customs, for instance, has assumed concrete measures to reinforce surveillance and investigation of IP-infringing goods.

In the region, Hong Kong tops this category, scoring 80.3. This was primarily on account of its policy of open information sharing in its counter IP infringement efforts. It is followed closely by economies such as Japan and Australia. The reverse trend was observed in key Asian economies such as China, India and Indonesia, which do not publish any data on trade-related IP infringement. Therefore, it is difficult to gauge the magnitude of IP infringement and illicit trade.

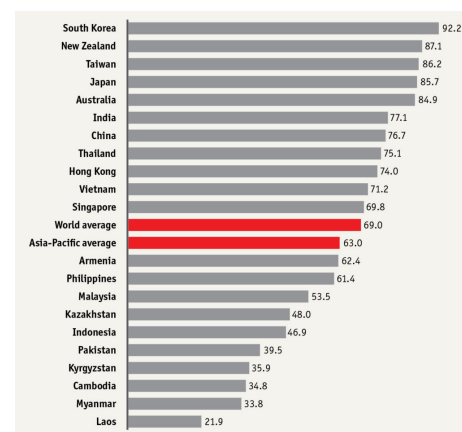
Within the region, a bloc such as ASEAN “needs to have common mechanisms at land borders, in ports and at airports that allow for quick cross-border communication between authorities that can be seamless and allow for quick information-sharing,” says Jeremy Douglas, regional representative for Southeast Asia and the Pacific at the UN Office on Drugs and Crime.

## Customs Environment

This category measures how effectively a country’s customs system facilitates legal trade and prevents illicit trade. The parameters comprise the percentage of shipments physically inspected, time taken for customs clearance and inspection, the extent of automation of border procedures, presence of authorized economic operator programs and the presence of customs recordal systems.

Singapore ranks poorly in this category due to the absence of a customs recordal system that IP owners can use for enforcement at borders. According to the

report, a customs recordal system “allows trademark, copyright or patent owners to register their IPs with customs agencies and empowers these agencies to interdict shipments containing goods that infringe on registered IP of their own accord.”



Customs Environment (Asia Results)

Malaysia, Indonesia, Laos and Cambodia are also not equipped with customs recordal systems. And while certain economies, including Vietnam, Thailand and Hong Kong, are equipped with such systems, they are largely ineffective. The report does note, however, that Indonesia has been making progress on this front, implementing regulations favorable to IP owners.

South Korea and New Zealand lead the rankings in this category, and are followed closely by Taiwan, Japan and Australia.

Source: Brink Asia

## Join us for the 32nd CACCI Conference



in Istanbul, Turkey,  
**November 23-24**  
<https://cacci2018.org/index.php>

# As Technology Spreads Through the Workforce, Are Humans Underrated?

*Puneet Swani, Partner and Growth Markets Career Business Leader at Mercer*

Elon Musk's recent comment that "humans are underrated," in the context of excessive automation at the Tesla plant that resulted in production delays, is emblematic of a profound shift in the narrative around the future of work.

An obsession with automation and AI without a clear vision of how it augments the human capability of your talent or enhances the experience for your customers may be less than ideal.

Ping An, a Chinese insurance company, is actively reskilling and redeploying its talent from traditional roles to new roles focused on enhancing the customer experience. The company not only uses AI to expedite claims' approval cycle time through its Smart Fast Claim platform but also attempts to improve health care delivery using new technologies. Ping An's Good Doctor app provides reliable and fast diagnostics of common ailments through photos, text or video that link the patient to the doctor via the app.



Office workers take a break during lunch hours in Singapore's Central Business District. Only 4 percent of executives in Singapore consider themselves 'change agile,' compared with 18 percent globally, new research finds.  
Photo: Roslan Rahman/AFP/Getty Images

We are invested in better understanding this human and machine dynamic to be able to help companies navigate the future of work. We find a definite shift from episodic transformation to continuous evolution as organizations recognize that that is the only way to stay ahead of this increasing pace of technological change.

Our 2018 Global Talent Trends Study—Unlocking Growth in the Human

Age seeks to understand how this evolution manifests in the talent agenda and the fundamental shift in how we source and deploy talent and rethink the models of talent management—matching right talents for the job to drive empowerment and agility amidst increasing automation.

From the more than 7,600 voices that make up this year's report, we identified five trends shaping the workforce in 2018. These include "working with purpose," "permanent flexibility," "platform for talent," "digital from the inside out" and "change at speed," which is the one that stands out in the context of automation.

## What Is Changing?

The C-suite respondents in our research believe we are entering a state of permanent transformation—of structures, cultures and people that have regeneration in their DNA. The ability to change, and change at speed, is emerging as a core competency itself. Change agility requires a quickened pace of learning and giving more power to individuals. The challenge is balancing empowerment, governance, and efficiency with reskilling for tomorrow. Half of executives predict at least one in five roles in their organization will cease to exist by 2022, but HR reports mixed confidence in being able to identify jobs that will be displaced and how to effectively and proactively reskill employees. Only 4 percent of the executives in Hong Kong and Singapore, for instance, consider themselves "change agile," compared with

18 percent of respondents globally.

Disruption has bifurcated and trifurcated many industries. Within a company, you may have radically different strategies toward heritage businesses versus growth businesses, businesses that are stable today and those that are being incubated for tomorrow. Progressive leaders need to embrace these multispeed environments and understand how to maintain momentum on what might be "traditional" rather than focusing all of the organization's energy on the new. And they can do so by creating a virtuous cycle between skill needs, learning access and hands-on development opportunities. This means identifying future needs, offering just-in-time learning, and taking motivation drivers into account when filling roles. Employees who demonstrate an eagerness to learn are often those who will be able to take on new roles and lead you into the future.

The concept of managing a pipeline of talent is wearing thin; a platform approach offers an aspirational alternative by creating skill demand that aligns with where the business wants to be in the future. Given the heightened focus on innovation and skills development as a result, we find that most HR teams, especially in the emerging economies, recognize the need for a "build" strategy to drive growth.

In Japan, for example, only 25 percent HR leaders are confident in reskilling current employees for new roles, while more than half (55 percent) of HR leaders feel so globally. We will therefore see an



*Mercer Talent Trends Study 2018 Findings:  
Comparison between Hong Kong and Singapore*

increasing number of organizations investing in online learning technologies as a way to raise their collective digital competence.

### Building for the Future

It is important to establish that the more technology diffuses into the workplace, the greater the premium on human judgment. And if change at speed is the panacea, technology must be part of the solution. Digitization transforms how organizations build diverse workforces, embrace flexible working, improve teaming, and analyze performance. It can serve as a vehicle for demonstrating investment in people and help them feel akin to customers. Building a workforce for the future requires a vision—organizations have to reimagine work and make it more, not less, human. Yes, I agree with Mr. Musk, “humans are underrated.” And it is time we come together to change that.

*Source: Brink Asia*

### About the Author:

#### Puneet Swani



Puneet Swani leads the talent business for Mercer across growth markets. He has been advising clients across twenty countries on talent management and rewards, helping them develop a compelling and sustainable employee value proposition.

## Boost Future Organizations with Digital Benefits

*Steven Yu, FSA, EA, MAAA, Mercer Global Partner, China Business Leader of Mercer Marsh Benefits*



*Employees work in an office in Beijing, China. Soon, work will no longer be done by internal employees only; it will increasingly be done by a range of people and in diversified ways, following a more open organizational model. Photo: Wang Zhao/AFP/Getty Images*

We are living in a world with fast-developing technologies, emerging subcultures, and diversified values and lifestyles, which all contribute to thousands of different needs. Given the rapid pace of change, do employers still have a standard and effective compensation and benefits strategy that aligns with employees' needs? Is it even possible to put a label on certain kinds of emerging needs?

### Guide for Future Organizations

Imagine the following scenario.

*Mark is the marketing director of a medium-sized enterprise in Shanghai. Every Monday, he will communicate with his four team members on project progress. At 10 a.m., he opens the conference cloud*

*right on time, but those who show up on the screen are no longer his subordinates. Instead, they are Ada, an expert graphic designer from Seattle; Serena, a freelance writer who is taking jobs while traveling around the world; Amanda, from the headquarters in Beijing; and Alex, a representative from the branding department, who is in London and currently not available due to the time difference. But that does not matter—he has already entered his work progress and plan into the system, and his analog image will speak for him. During the conference, assistant Xiao Bing will provide simultaneous multilingual interpretation for the participants; meanwhile, he will also make meeting minutes, provide an offline warning, and upload materials.*

This is not footage from a science fiction film. It is something we might see in real life very soon.

The Organization of the Future, a book by The Drucker Foundation, notes that the society of employees is disappearing as people attach more importance to the value of the individual. In the meantime, organizations are transforming into more open platforms. Work is no longer done by internal employees only; increasingly, it will be done by diverse people in diverse ways.

In future organizations, it is likely that the working relationship between employer and employee will no longer be

maintained by a contract alone. We will see more and more project-based work in the future, in which employees will be more agile and professional. They could be seasoned experts in one specific domain, without being tied to any specific organization. This model is both efficient and cost-effective.

It is also mentioned in The Organization of the Future that the birth of this model is driven by the continuous impact of technology on the relationship between the individual and the organization. Individuals have always craved personality, freedom and creativity. The advances of technology and mobile intelligence and the independence brought about by mobile Internet have increased the desire—and possibility—for individuals to pursue flexible working lifestyles.

The number of formal employees at organizations will be reduced, and those who stay on will likely only be those who are crucial to the enterprise and undertake key positions.

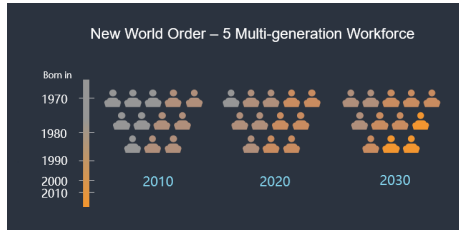
The impact that technology imposes on the relationship between the individual and organization is like a double-edged sword. On the one hand, an enterprise can benefit from the individual freedom created by technology, but on the other, it has to “fight against” such freedom because very few enterprises are willing to see their employees in key positions be-



come free workers.

## Understand the Future Workplace in the Age of ‘Me Inc.’

It is estimated that by 2020, the population of Chinese employees will mainly comprise four generations: those born in the 1970s, 1980s, 1990s, and 2000s; by 2030, the number of generations in the workforce will increase further.



Employees from different generations have different demands. They also face different pressures. That means we are facing a time when enterprises must manage thousands of different needs. We call it the age of “Me Inc.,” where people put more focus on differences instead of similarities, and human needs are getting increasingly more personalized.

Businesses must accept that, whether in the case of formal employees or free workers, it is only natural for them to look for other employment options if their needs are not met for a long time. And with the help of technology, it is going to be much easier for employees to make such decisions. Therefore, it is imperative for organizations of the future to put more focus on individual needs if they want to

retain key employees and build long-term partnerships with top free workers.

The figure below shows the personal need data Mercer collected during its research:

Discovering, exploring, analyzing and designing channels to satisfy individual needs in the future is one of the top priorities for HR. Of course, it will be ideal for enterprises to meet these individual needs at a controllable cost.



## Satisfying Individual Needs of Employees through Digital Benefits

Compensation was once the most important lever in retaining employees. However, growth in compensation in Chinese enterprises has declined for six consecutive years, according to a 2016 Mercer remuneration survey. Executives have started to realize that compensation is no longer the most effective and cost-efficient way of retaining employees, especially when it comes to satisfying individual needs.

Flexible benefits through a relevant program can enable enterprises to provide employees with more options while

still having overall control of the benefits program. With flexible benefits, enterprises expand their benefits program and also change the original idea of benefits on a certain level. It allows enterprises to multiply the effect of benefits at a controllable cost.

The strategy of flexible benefits perfectly matches the diverse requirements of the Me Inc. workers. This strategy allows employees to choose their own benefits. During this process, their needs are satisfied, and their employers are aware of their needs, so organizations can keep optimizing a flexible benefits program and form a positive cycle.

Digital benefit management platforms make benefit management simpler, easier, more reliable and traceable—all at a controllable cost. Moreover, based on the behavior of employees on the platform, organizations can accurately figure out the characteristics of their employees (such as age, gender, family status and interests), allowing them to provide best-fit benefits for their employees. As it becomes increasingly harder to find commonalities among employee needs, this digital method enables enterprises to manage employee benefits in a more informed and targeted way.

As employees’ needs become more diverse, organizations will need to use technology to increase their efficiency in meeting people’s needs. These developments could mark the beginning of a new relationship between organizations and employees.

*Source: Brink Asia*

## About the Author:



### Steven Yu

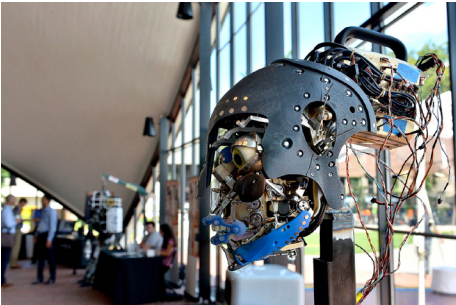
Steven Yu is a partner and business leader of Mercer Marsh Benefits in China. He is responsible for employee health and benefits consulting, broking, administration, actuarial, and pension consulting. Steven has

over 23 years of experience in employee benefits and human resources consulting in both Asia-Pacific and the U.S.



# What Will Asia's Workplace of Tomorrow Look Like?

BRINK Asia Editorial Staff



A TechCrunch: Robotics exhibition in Cambridge, Mass. in July 2017. Companies are actively seeking to incorporate automation and artificial intelligence into their workplaces. Paul Marotta/Getty Images for TechCrunch

Asia's tight talent market presents challenges for employers recruiting for the skills needed in today's business environment, according to a recent report exploring automation, AI and the future of work in the region.

Business leaders already have started to feel the impacts of these technologies, and they expect them to intensify, note the authors of a report from the Economist Corporate Network.

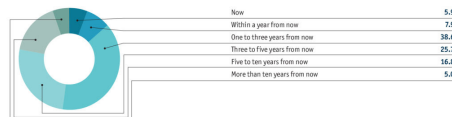
Companies are actively seeking to incorporate automation and artificial intelligence into their workplaces. However, drafting the ideal strategy to meet this objective is a challenge. Incorporating AI and automation in the workplace can have both positive and negative effects.

## Where Are Automation and AI Heading?

In light of automation and AI making steady inroads, businesses in the region must focus on key drivers such as sociocultural, infrastructural and institutional realities of different countries and industries across Asia. About two in three CEOs surveyed believe that automation and AI will have a significant impact on their organizations. Business leaders must therefore ensure that their organizations use benefits from technology to prepare for the workplace of tomorrow. And while just over half (51.5 percent) of CEOs say their businesses are already impacted by automation and AI, almost three in four (72.2

percent) believe that "the full scale of the impacts will only be felt within the next five years."

The majority of business leaders maintain that automation and AI will yield positive results. In fact, most CEOs keenly follow news on automation and AI and keep themselves abreast with current IT trends. Over 90 percent of CEOs surveyed stated that they were moderately aware, highly aware or fully aware of the prevailing trends, challenges and opportunities that automation and AI offer. The positive outcomes expected are improved efficiency, enhanced worker productivity and reduced costs. On the negative side, certain job categories may be rendered obsolete and redundancies will be witnessed. CEOs believe that older and low-skilled workers will be most affected by automation and AI.



When do you think the full impacts and scale of automation and AI will be felt by your business? (% of respondents)

## Impacts of Automation and AI

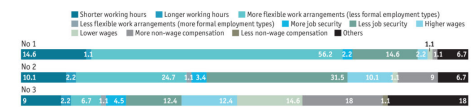
The majority of business leaders surveyed feel "automation and AI will affect the way people in their companies work." Two major changes are expected:

1. More flexible working arrangements
2. Less formal employment structures

This pattern will affect job security for some workers. A relatively small number of CEOs maintain that highly skilled workers will be less affected, and 41.6 percent responded that only specific tasks within jobs will be impacted. Top level executives are instrumental in devising automation and AI strategies for their organizations with only 16.7 percent adopting a passive approach.

Interestingly, in Japan and Hong Kong, this figure was as high as 37.5 percent and 33.3 percent respectively. This implies that management in these countries may need to reconsider their strategies to

ensure viability in the long run. In this regard, no respondents from China reported a passive approach to addressing risks. A similar trend was observed in Indonesia, Singapore and South Korea. A majority of CEOs in these countries said they were actively leveraging technology. Respondents based in Indonesia were the most proactive.



Please rank the top three impacts or potential impacts from automation and AI to the way people work in your business. (% of respondents)

## Hurdles in the Adoption of Automation and AI Strategies

Companies, in general, are facing difficulties adequately educating their employees about their automation and AI strategies. They are reluctant to use the assistance of external consultants and would rather prepare their workforces through internal and on-the-job trainings. While the importance of technology is well understood, many seem unwilling to keep pace. In Hong Kong, the reluctance to acquire new skills and a lack of curiosity among younger workers are concerning, respondents note. In Japan, CEOs observed that workers are content working within their areas of familiarity and are unwilling to assume risks for fear of failing. Furthermore, strides made in certain spheres are offset by irregular reviewing of HR practices and not seeking the expertise of external HR and recruitment organizations.

## Gearing Up

Evidently, automation and AI have fueled a wide impact on Asian economies and societies, with China and South-east Asia leading the transformation. Business leaders highlighted that the success of workplace alterations depends not only on the right strategy but more so in engaging people with the right skills and mindset.

In fact, at a Southeast Asia focus group discussion in Singapore, one CEO

pointed out that “Technology has certainly made us more efficient, speeding up our process. But customers today expect more and faster turnaround times anyway. As such, employing technology hasn’t meant that we need fewer people now, but rather

to be able to achieve more, and deliver more quickly.”

To brace for the future, “business leaders in Asia are looking for resiliency—the ability to accept failure, get up, learn and try again,” the report says. CEOs have

a critical role in ensuring that they drive their organizations in creating an environment “for their employees to learn to not only survive disruption, but to create disruption.”

Source: Brink Asia

## Economic Outlook for Developing Asia Remains Stable: ADB

*Developing Asia is seen to maintain growth projections at 6.0% for 2018 and 5.9% for 2019. However rise in protectionist trade measures from other countries poses a clear downside risk to the region’s outlook.*

Developing Asia is largely on track to meet growth expectations as set out in April in Asian Development Outlook 2018 (ADO 2018), a publication of the Asian Development Bank. The regional gross domestic product (GDP) is forecast to expand by 6.0% in 2018 and 5.9% in 2019, the rate envisaged in April, with subregional forecasts upgraded for Central Asia. Regional growth forecasts are maintained at 6.5% for 2018 and 6.4% for 2019 when excluding the newly industrialized economies of Hong Kong, China; the Republic of Korea; Singapore; and Taipei, China.

The combined growth forecast for the major industrial economies—the United States (US), the euro area, and Japan—is retained from ADO 2018 as growth in the US and the euro area remains robust. In Japan, though, unanticipated contraction in the first quarter (Q1) prompts a slight revision of the 2018 growth.

### ADO 2018 Highlights

- \* Healthy domestic demand reinforces regional prospects detailed in Asian Development Outlook 2018. This Supplement maintains growth projections at 6.0% for 2018 and 5.9% for 2019, despite global rumblings. Excluding newly industrialized economies, regional growth is forecast at 6.5% in 2018 and 6.4% in 2019, as envisaged in April.

- \* East Asian growth is on track to meet April forecasts of 6.0% in 2018 and 5.8% in 2019. The People’s Republic of China is still expected to grow by 6.6% in 2018 before moderating to 6.4% in 2019.

- \* South Asia remains the fastest expanding subregion, with growth projected at 7.0% in 2018 and 7.2% in 2019. India is expected to achieve April forecasts of 7.3% in 2018 and 7.6% in 2019 as bank-strengthening bolsters private investment and



benefits kick in from a new goods and services tax.

- \* Southeast Asia continues to be buoyed by robust domestic demand, particularly for private consumption and investment. It is on track to meet forecasts of 5.2% growth this year and next.

- \* Central Asia has performed better than expected, prompting growth projection upgrades to 4.2% for 2018 and 4.3% for 2019. The Pacific will likely realize earlier forecasts.

- \* Despite rising commodity prices, domestic factors have kept consumer price pressures in check regionally, prompting downward revision to inflation forecasts from 2.9% to 2.8% for both years. As US monetary policy normalizes, central banks in the region act to spare their currencies’ sharp depreciation and to subdue inflation.

- \* Trade tariffs implemented so far in 2018 have not significantly dented buoyant flows, but ongoing friction remains a downside risk to the outlook for developing Asia.

# Publications by ADB

## Embracing the E-Commerce Revolution in Asia and the Pacific



EMBRACING THE  
E-COMMERCE REVOLUTION  
IN ASIA AND THE PACIFIC

JUNE 2018



Published by *Asian Development Bank and UN Economic and Social Commission for Asia and the Pacific*

E-commerce has an undeniable potential to make economies inclusive. It connects farmers to markets, links SMEs to a global audience, helps more women become entrepreneurs, and can even break the cycle of poverty. Though Asia is home to the world's biggest e-commerce market (think PRC, the Republic of Korea, and Singapore to name a few), its existence across the region is uneven. This report aims to answer an important policy question: how can e-commerce be developed and grown to deliver positive social and economic outcomes across Asia and the Pacific?

## Product & Service Councils

### Food & Agriculture

#### Thai Platform Established



*The Agriculture Exchange Online Platform has created with the purpose of promoting the exchange of business links and opportunities between Taiwan and Thailand in combination with government and academia. [China Post]*

The Taipei Economic and Cultural Office in Thailand, together with the Council of Agriculture, has set up an online platform to host Taiwan-Thailand agricultural exchanges, the official said. The platform was created to promote exchanges of business links and opportunities between the two governments and academia, the office said in a press release. The two nations have had long-term cooperation and exchanges in agriculture since the 1970s,

it added. Taiwan offers high-tech agricultural development technology and experience, while Thailand has vast fertile land, creating unlimited business opportunities for agricultural cooperation, the statement said.

*Taipei Times*

### ICT

#### MOU signed on AI, Robotics



The Hsinchu Science Park and the

Central Taiwan Science Park (CTSP) on Tuesday, July 10 signed a memorandum of understanding (MOU) with India's Karnataka State to promote bilateral exchanges in the field of artificial intelligence (AI) and robotics. The document was signed by Hsinchu Science Park director-general Wayne Wang, CTSP director-general Chen Ming-huang and Karnataka Center for e-Governance chief executive officer Shri K. Nagaraja.

The signing ceremony was witnessed by Representative to India Tien Chung-Kwang and Gaurav Gupta, the principal secretary of the Karnataka Department of Information Technology, Biotechnology and Science and Technology. Speaking after the ceremony, Wang said he hopes to promote exchanges between academics and entrepreneurs in Taiwan and Karnataka and help Taiwanese firms gain access to the growing Indian market to create new business opportunities in Bengaluru, especially in the field of information technology. Chen said he also hopes to see cooperation in robotics.

The MOU enables the two nations to institutionalize an industrial collabora-



tion mechanism and platform, which, in return, would help enhance ties in the fields of industry, investment and technical cooperation on an equal and mutually beneficial basis, Tien said.

*Taipei Times*

## CACCI Women Entrepreneurs Council

### Ministry Targets Women to Boost the Labor Force

*By Staff Writer, with CNA*

The Ministry of Labor earlier this year launched a trial program to help stay-at-home women return to the workplace, in

an effort to boost the female labor force in Taiwan.

Many women in Taiwan have left the workforce for family reasons – such as raising their children, on caring for older family members or people with disabilities – a report in the Chinese-language United Daily News said.

To help stay-at-home women return to the workplace, the government amended a law in 2015 to promote re-employment of women, the report said, adding that the ministry launched the program by collaborating with businesses, as the country is facing a worker shortage due to its aging population.

The program targets educated women with social skills.

In the first phase of the program, the ministry is holding 12 employment

workshops to help women become job-ready, the ministry said, adding that, so far, three such workshops have been held.

In the next phase, a subsidy of NT\$20,000 would be granted to stay-at-home women applying for training courses to improve their professional skills, with July 16 being the deadline for applications.

The ministry would also hold seminars for senior executives to teach them about how women and part-time workers can improve their companies' competitiveness, and about female workers' rights.

In the final phase, workshops for human resource managers would be held to explore ways of using government resources to help women return to the workplace.

*Taipei Times*

## Investment & Joint Ventures in the Region

### Teco Eyes India Electric Vehicles

*By Staff Writer, with CNA*

Bengaluru, India

Teco Electric & Machinery Co plans to team up with Japanese and Indian partners to enter the electric-vehicle market in India.

Teco chairwoman Sophia Chiu on July 12 said that the company and a Japanese firm are in discussions about supplying mechanical systems for electric vehicles in India, while the two sides are seeking to work with potential partners in the South Asian nation on the project.

The mechanical systems would include products such as electric motors and other components for electric vehicles, Chiu said.

Auto rickshaws are prevalent in India and it is possible that they would be replaced by electric rickshaws, so Teco and its potential partners are to develop solutions in that area, she said.

Chiu said that as Indian Prime Minister Narendra Modi has announced that India is to adopt electric-only vehicles by 2030, the electric rickshaw market there has great potential.

Sources close to the project said that Mitsui Group, a large Japanese con-

glomerate, could cooperate with Teco in the market, as the two companies are already business partners.

Teco operates a plant in Gujarat, western India, producing 50,000 small electric motors per year, targeting overseas markets, Chiu said.

*Taipei Times*

### Samsung Opens Largest Phone Plant Near Delhi

Bloomberg

Great Potential: Less than half of the 1.3 billion Indians own a smartphone, but India's low wages mean that manufacturers such as Apple have struggled in the market

Samsung Electronics Co yesterday opened the world's largest mobile phone manufacturing facility on the outskirts of New Delhi as smartphone demand in India surges.

The factory was to be inaugurated by Indian Prime Minister Narendra Modi and South Korean President Moon Jae-in at 5pm local time. Both leaders were visiting the facility adjoining the capital, the Indian Ministry of External Affairs said.

"The opportunity is just massive," said Faisal Kawoosa, who heads new ini-

tiatives at researcher CMR Pvt. "Such a large facility will help Samsung cater to the huge demand in a country of 1.3 billion people where there are only 425 million smartphone users."

The new Samsung factory is to have the capacity to fabricate 120 million smartphones per year and make everything from low-end smartphones that cost less than US\$100 to the company's flagship Galaxy S9 model, Samsung said.

Indians favor low-end smartphones priced at US\$250 or less, given the country's low average annual income, Bloomberg Intelligence said.

*Taipei Times*

### Acom Advances into Philippines, Targets Middle Class

三菱UFJフィナンシャル・グループ



Manila/NNA/Kyodo

Acom Co. is opening its first outlet in the Philippines as part of an overseas business strategy that has already taken the major consumer finance company to Thailand and Indonesia.

Acom Consumer Finance Corp., a

# Investment & Joint Ventures in the Region

local joint venture established a year ago with trading house Itochu Corp., has started providing unsecured personal loans at an outlet in the Ortigas Center in Pasig, a city in the metropolitan Manila area.

The Filipino unit says it mainly targets middle-class consumers with a monthly income of over 10,000 pesos (about ¥21,000) and at least three months of employment for loans of up to 500,000 pesos per deal, depending on income levels.

Borrowers are required to visit the shop only once to apply for loans and can get cash at outlets of money remittance service providers in shopping malls, office buildings and other locations in the city.

Loan interest rates per month range from 2.215 percent to 4.563 percent, Acom says.

*Japan Times*

## US-based Enterprise Car Rental Set to Invest in Turkey



US-based car rental company Enterprise is set to invest TRY 1 billion (USD 210 million) in Turkey this year.

The US giant, which has the largest fleet in the car rental industry with around 2 million vehicles in 95 countries, signed an agreement with the national flag carrier Turkish Airlines in 2017.

Enterprise Turkey CEO Ozarslan Tangun stated that the company currently operates with around 10,000 vehicles in Turkey, with plans to triple this figure, as well as the number of offices, within the next 5 years. CEO Tangun added that Enterprise has plans in the works for Istanbul's new airport.

*Invest in Turkey*

## Royal Brunei to Resume Direct Flights to Taiwan

*By Staff Writer, with CNA*

Royal Brunei Airlines said it would restart direct flight services to Taiwan on Dec. 3 after a 15-year hiatus.

The carrier said it is to use an Airbus A320neo to fly three roundtrip flights



per week between Taiwan Taoyuan International Airport and Brunei International Airport.

The flights are to operate on Mondays, Thursdays and Fridays, the airline said.

Royal Brunei Airlines chief executive officer Karam Chand said in a statement that the company is excited to return to the Taiwan market because of its strong tourism potential.

The carrier first launched flights to Taiwan in 1986, but ended the service in 2003 due to the effects of the severe acute respiratory syndrome (SARS) scare on the travel industry.

More recently, it has been providing charter flights between the two destinations during Lunar New Year breaks.

For the re-established air link, Taiwan is referred to as Taipei, TPE on the airline's Web site, which identifies all destinations by cities and their airport codes.

*Taipei Times*

## Japan Tobacco buys Akij

Japan Tobacco Inc agreed to purchase Bangladesh's second-largest cigarette maker for 124.3 billion takas (US\$1.5 billion) as the company continues to expand its presence in emerging markets. The maker of Mevius and Winston cigarettes is acquiring the tobacco business of Akij Group, which holds about a 20 percent share of the market in Bangladesh, Japan Tobacco said in a statement. The tobacco company has been buying up businesses in markets where smoking is more prevalent, which has helped cushion sales in the face of tighter smoking regulations in most areas around the globe.

*Taipei Times*

## China's Alibaba Invests in Turkish E-Commerce Company



China-based internet giant Alibaba Group declared that it has decided to invest in Turkish e-commerce company Trendyol at the end of June 2018.

Trendyol is one of the leading e-commerce companies in Turkey and holds a leading position among online fashion retailers. The competition Authority approved the deal on July 24th.

Previously, President Recep Tayyip Erdogan received founder of Alibaba jack Ma on the occasion of his official visit to New York to attend the 72nd United Nations General Assembly meetings in September 2017.

*Invest in Turkey*

Invitation to Join  
CACCI  
Presidential Visit to  
Ulaanbaatar, Mongolia  
on  
September 5-8, 2018

Hosted by the Mongolian  
National Chamber of  
Commerce and Industry



# Economic Cooperation News

## PNG, Solomons ink deal

Papua New Guinea (PNG) and the Solomon Islands signed onto a joint undersea Internet cable project, funded mostly by Australia, that forestalls plans by Chinese telecom Huawei Technologies to lay the links itself. Australia is to pay two-thirds of the project cost of A\$136.6 million (US\$100.9 million) under the deal, signed on a visit to Brisbane by Solomon Islands Prime Minister Rick Houenipwela and PNG Prime Minister Peter O'Neill. "We spend billions of dollars a year on foreign aid and this is a very practical way of investing in the future economic growth of our neighbors in the Pacific," Prime Minister Malcolm Turnbull told reporters. The project, for which Australian telecom Vocus Group is building the cable, is to link the two nations to the Australian mainland, besides connecting the Solomons capital Honiara with the archipelago's outer islands.

*Taipei Times*

## MOU with Japan to boost response to chemical disasters

*By Staff Writer, with CNA*

**TOXIC:** *The MOU would raise public awareness on crisis preparation, which would mitigate the effects of chemical disasters, an ITRI official said.*

The Industrial Technology Research Institute (ITRI) signed a memorandum of understanding (MOU) with Japan's Maritime Disaster Prevention Center on toxic chemical disaster response.

The pact would help promote exchanges in ground and sea rescue expertise, bolster toxic chemical disaster response capabilities and make both sides better and handling chemical accidents, said Hsieh Yein-Rui, head of Environmental Protection Administration's Toxic and Chemical Substances Bureau.

The MOU would also help raise public awareness on crisis preparation, which would mitigate the effects of a disaster, Hsieh said during the signing ceremony at the ITRI's headquarters in Hsinchu County.

The ITRI, Taiwan's top industrial research institute, set up the nation's first Emergency Response Information Center in 1996 to deal with toxic chemical disasters.

*Taipei Times*

## Thailand eyes Chinese investment for US\$51 bn plan

Bloomberg

Thailand is seeking Chinese investment to help galvanize a five-year, 1.7 trillion baht (US\$51.1 billion) development plan for its eastern seaboard to bolster the economy.

While political tension has shadowed Chinese investment in nations from Australia to Sri Lanka, the Thai military government views its so-called Eastern Economic Corridor (EEC) project as well placed to link with China's Belt and Road Initiative.

The corridor's goals include adding infrastructure and advanced industries — such as biotechnology, robotics and aircraft maintenance — in provinces better known for traditional manufacturing, such as auto parts.

"China is very important in terms of trade and investment," Thai Prime Minister Prayuth Chan-ocha said in an interview in London in June, when asked about the nation's significance for the corridor. "China has the One Belt, One Road policy, which is important — it would create connectivity within the region and throughout the world."

The five-year plan for the corridor covers 2017 to 2021, and spans the provinces of Rayong, Chachoengsao and Chonburi, which Thailand says are well located for trade links to other Asian nations.

*Taipei Times*

## Indonesia, Freeport strikes initial agreement on mine

Reuters, Jakarta

Indonesia and Freeport-McMoran Inc have struck an initial agreement for state-owned mining company PT Inalum to

take a controlling stake in Freeport's local unit, government officials said July 12, although the final price for the deal remains unclear.

The agreement will give Indonesia control of the Grasberg mine, the world's second-biggest copper mine, and should cap years of wrangling over the mining rights for the site.

The two sides in August last year agreed to let Freeport keep operating the mine while ceding control.

An initial agreement has been reached for Inalum to increase its stake in Freeport's local unit to 51 percent from 9.36 percent, Indonesian President Joko Widodo said.

"I think this is a leap forward. We have to have a larger amount of income from tax, royalties, dividends ... so, the value of our mining sector can benefit everybody," Widodo told reporters.

*Taipei Times*

## Japan, EU sign ambitious trade deal

AP, Tokyo

The EU and Japan signed a landmark deal that would eliminate nearly all tariffs on products that they trade.

The ambitious pact signed in Tokyo runs counter to US President Donald Trump's moves to hike tariffs on imports from many US trading partners. It covers one-third of the global economy and markets of more than 600 million people.

"The EU and Japan showed an undeterred determination to lead the world as flag-bearers for free trade," Abe said at a joint news conference with European Council President Donald Tusk and European Commission President Jean-Claude Juncker.

Tusk praised the deal as "the largest bilateral trade deal ever."

He said the partnership is being strengthened in various other areas, including defense, climate change and human exchanges, and is "sending a clear message" against protectionism.

*Taipei Times*



# Fairs & Exhibits in Asia-Pacific

DATES 2018	NAME OF FAIR (Further Information)	COUNTRY	DATES 2018	NAME OF FAIR (Further Information)	COUNTRY
3-5 Sept.	<b>ISH Shanghai &amp; CIHE 2018</b> (Messe Frankfurt (HK) Ltd., Tel: 852-2802-7728, Email: info@hongkong.messefrankfurt.com, <a href="#">URL</a> )	Shanghai China	17-19 Sept.	<b>RESTO EXPO 2018 Ulaanbaatar</b> (Crocus Event Hall, Tel: 976-8804-1003, Email: nyamdorj.d@nomadsgroup.mn, <a href="#">URL</a> )	Ulaanbaatar Mongolia
					
4-6 Sept.	<b>Middle East Stone</b> (dmg events, Tel: 971-4445-3736, Email: marketing@middleeaststone.com, <a href="#">URL</a> )	Dubai U.A.E	19-21 Sept.	<b>Construction Indonesia 2018</b> (PT Pamerindo Indonesia, Tel: 62-21-2525-320, Email: niekke.budiman@ubm.com, <a href="#">URL</a> )	Jakarta Indonesia
					
4-7 Sept.	<b>The 24<sup>th</sup> Gourmet &amp; Dining Style Show Autumn</b> (Business Guide-Sha, Inc., Tel: 81-3-3847-9853, Email: n-haga@gourmetdiningstyleshow.com, <a href="#">URL</a> )	Tokyo Japan	19-21 Sept.	<b>ICIF China 2018</b> (China National Chemical Information Center, Tel: 86-10-6444-7112, Email: m.yu@cncic.cn, URL: en.icif.cn)	Shanghai China
					
5-7 Sept.	<b>1<sup>st</sup> Smart Factory Expo Nagoya</b> (Reed Exhibitions Japan Ltd., Tel: 81-3-3349-8502, Email: sma-fac_nagoya@reedexpo.co.jp, URL: http://www.sma-fac-nagoya.jp/en/Home)	Nagoya (Aichi) / Japan	19-21 Sept.	<b>Energy Taiwan</b> (TAITRA, Tel: 886-2-2725-5200, Email: energy@taitra.org.tw, URL: https://www.energytaiwan.com.tw/index.html/)	Taipei Taiwan
					
5-7 Sept.	<b>AGRI CAMBODIA 2018</b> (Minh Vi Exhibition & Advertisement Services Co., Ltd (VEAS Co., Ltd.), Tel: 84-28-3848-8561, Email: info@veas.com.vn, <a href="#">URL</a> )	Phnom Penh / Cambodia	20-23 Sept.	<b>Tourism EXPO Japan 2018</b> (JITA/JATA/JNTO, Tel: 81-3-5510-2004, Email: event@t-expo.jp, URL: www.t-expo.jp/en/)	Tokyo Japan
					
5-8 Sept.	<b>Iraq Oil &amp; Gas- Baghdad Show</b> (EPOTIM INTERNATIONAL FAIR ORGANIZATIONS, Tel: 90-212-356-0056, Email: burcu.uca@expotim.com, <a href="#">URL</a> )	Baghdad Iraq	24-27 Sept.	<b>PIR Expo</b> (PIR Expo, Tel: 7-495-637-9440, Email: info@pirexpo.com, URL: https://pirexpo.com/en)	Moscow Russia
					
5-8 Sept.	<b>BEX Asia 2018</b> (Reed Exhibitions, Tel: 65-6780-4671, Email: info@bex-asia.com, URL: http://www.bex-asia.com/)	Singapore Singapore	25-27 Sept.	<b>Testing Expo China – Automotive 2018</b> (UKIP Media & Events Ltd., Tel: 44-1306-743-744, Email: domonic.cundy@ukimediaevents.com, URL: http://www.testing-expo.com/china/en/index.php)	Shanghai China
					
8-9 Sept.	<b>Beauty Expo Australia</b> (Reed Exhibitions Australia Pty Ltd., Tel: 61-2-9211-7544, Email: beauty@infosalons.com.au, <a href="#">URL</a> )	Sydney Australia	25-27 Sept.	<b>BROADCAST PAKISTAN 2018</b> (Ecommerce Gateway Pakistan (Pvt) Ltd., Tel: 92-21-3453-6321, Email: info@broadcastpakistan.com.pk, URL: http://broadcastpakistan.com.pk/)	Karachi Pakistan
					
11-13 Sept.	<b>TextileExpo Uzbekistan – 15<sup>th</sup> International Exhibition for Textile and Fashion Industries (ITE)</b> (Uzbekistan, Tel: 998-71-205-1818, Email: textileexpo@ite-uzbekistan.uz, URL: http://www.textileexpo.uz/)	Tashkent Uzbekistan	26-28 Sept.	<b>International Farming Technology 2018</b> (PT. Pelita Promo Internusa (PPI), Tel: 62-21-5366-0804, Email: info@pelitapromo.com, URL: http://www.farmingtechnology-expo.com/web/)	Jakarta Indonesia
					
12-14 Sept.	<b>BMAM Expo Asia 2018</b> (IMPACT Exhibition management Co., Ltd, SPHERE Exhibits, Tel: 66-2833-5208, Email: chanone@impact.co.th, <a href="#">URL</a> .)	Bangkok Thailand	27-29 Sept.	<b>22<sup>nd</sup> Con Expo Sri Lanka 2018, International Expo</b> (Conference & Exhibition Management Services Ltd., Tel: 1-646-416-7902, Email: contact@cems-conexpo.com, <a href="#">URL</a> )	Colombo Sri Lanka
					
13-15 Sept.	<b>ITCE 2018</b> (KOISRA, Tel: 82-2-747-9443, Email: joe@koisra.co.kr, URL: http://www.itce.kr/eng/)	Dague Korea	27-29 Sept.	<b>Taiwan Innotech Expo 2018</b> (TAITRA, Tel: 886-2-2725-5200, Email: invent@taitra.org.tw, URL: https://www.inventaipai.com.tw/en_US/index.html)	Taipei Taiwan
					
14-16 Sept.	<b>7<sup>th</sup> Silk Road International Age and Health Industry Exposition</b> (Xi'an Elderly Industry Association, Tel: 86-186-2929-8329, Email: 543482232@qq.com)	Xi'an China			
					

# Policy Updates

## India

### India Eases EV Goals as China Raises Requirements

Bloomberg

*'NOT SUSTAINABLE': An Indian government adviser said that he is against large subsidies for electric vehicles, despite the still large upfront cost of owning one*

India's shift to electric vehicles (EVs) has to be "gradual," a government adviser said, signaling that the country might have further watered down its ambitions of having green vehicles comprise about one-third of its fleet by 2030. India needs to push for EVs in a consistent manner over a long period of time and ensure that automobile jobs stay unaffected as the country moves toward battery-driven vehicles, National Institution for Transforming India (NITI Aayog) chief executive officer Amitabh Kant said in New Delhi.

Cheaper EVs, the costs of which are likely to be on par with internal combustion vehicles by 2026, will push their adoption even without subsidies. "I'm against a policy where you drive electric vehicles through large subsidies," he said at a Bloomberg New Energy Finance (BNEF) conference on the future of energy and mobility. "That's not sustainable."

BNEF expects EVs to comprise about 7 percent of sales in India by 2030 as cheap fossil fuel-driven cars dominate the market and state subsidies for electric vehicles are absent.

*Taipei Times*

## Japan

### METI Launches Program to Support AI tie-ups

JIJI

The Ministry of Economy, Trade and Industry has launched an initiative to support joint artificial intelligence projects between startups and large firms. Twenty projects have already been selected for

financial assistance of up to ¥200 million. The ministry hopes that the support will lead to the creation of innovative business models that can be used worldwide.

It chose the 20 projects from about 70 applicants.

The projects include collaboration between data analysis startup Grid Inc. and major plant engineering firm Chiyoda Corp.

Grid and Chiyoda plan to jointly develop a system to enhance the operating efficiency of liquefied natural gas plants using deep learning, a technology in which AI obtains a vast amount of data and improves its performance on its own.

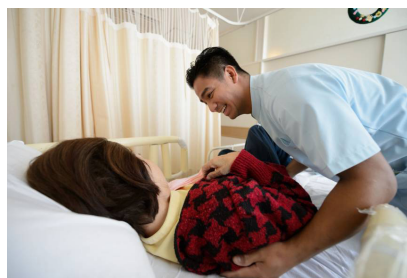
The system is scheduled to be delivered to a state-run company in Abu Dhabi by the end of this year.

RenoSys Inc., an AI startup providing services for the distribution and restaurant industries, has joined hands with Mos Food Services Inc., parent of fast food chain Mos Burger.

The tie-up involves installing an AI system at a Mos Burger outlet in Yokohama on a trial basis. The system processes data, including on customers' facial expressions and purchase history, to allow staff to easily recommend the best product for them.

*Japan Times*

### Bolstering Foreign Labor System Faces Hurdles



*A Filipino care worker assists an elderly resident at Eisei Hospital in Tokyo. Japan's move toward opening its doors to more foreign workers is widely seen as a must to better cope with an expected shrinkage in the working population. | BLOOMBERG*

KYODO

*Observers warn against haphazard approach to inviting more works*

Japan's move toward opening its doors to more foreign workers is widely seen as a must to better cope with an expected shrinkage in the working population.

Potentially broadening the scope of non-Japanese workers accepted into a country that for years has kept a firm grip on immigration would also mark a major policy change.

But the challenges facing an aging Japan are manifold as observers call for a clear-cut rather than makeshift approach, and stress the need to create a society easier for foreign nationals to live and work in.

"It's a natural turn of events" to accept more foreign workers, said Yoshimitsu Kobayashi, chairman of the Japan Association of Corporate Executives.

"Given the situation Japan is in and its future, we've already entered a phase in which we need to seek help not just from highly skilled workers," Kobayashi said at a news conference Tuesday.

Prime Minister Shinzo Abe instructed Cabinet ministers the same day to make preparations to accept more foreign workers by offering a new residential status starting next April.

The plan being considered would set a five-year limit on residence under the new status.

*Japan Times*

## South Korea

### South Korea Raises Minimum Wage

Bloomberg

*'Miserable': Small businesses would have no choice but to shut down or lay off staff, an association said, adding that it would mull the possibility of taking action*

South Korea decided to raise the minimum wage by 10.9 percent to 8,350 won (US\$7.40) an hour next year, but a small-business group said that it would refuse to implement the reform, as its members were already grappling with a slowing economy.

Labor-friendly South Korean President Moon Jae-in has pledged to raise the minimum wage by 55 percent to 10,000

# Policy Updates

won per hour by 2020 as part of efforts to boost consumption and growth.

South Korea added a monthly average of 142,000 jobs between January and June, the slowest growth seen since the 2008-2009 global financial crisis, Statistics Korea said.

*Taipei Times*

## Taiwan

### Taiwan Economy to Expand 2.49% This Year

*By Crystal Hsu*

Taiwan's economy might expand 2.49 percent this year, marginally higher than a previous forecast of 2.45 percent, as the first six months of the year proved better than expected, despite trade tensions between the US and China, a Taipei-based think tank said on July 25.

The business outlook of companies turns conservative when they are concerned about rising uncertainty in the marketplace, the Taiwan Institute of Economic Research (TIER) said.

"The economic landscape looks less smooth going forward, as evidenced by softening sentiment among local firms," TIER economist Gordon Sun told a news conference.

This year might see a 4.32 percent increase in exports, up 0.49 percentage points from April estimates, and a 4.45 percent increase in imports, up 0.53 percentage points, the institute said.

New technology applications could continue to benefit Taiwan, home to the world's largest contract makers of electronic parts, Sun said.

While demand for mobile gadgets and cryptocurrency mining has shown signs of slowing, shipments of machinery equipment remains solid, the institute said, adding that high prices of oil and raw materials would lend support to non-technology exports.

TIER expects private consumption to gain 2.3 percent this year, an increase of 0.14 percentage point from its forecast three months earlier.

*Taipei Times*

### Parents of Preschoolers to Benefits from Government Subsidy from August 2018

*By Sean Lin*



Premier William Lai, center, is accompanied by Executive Yuan spokesperson Kolas Yotaka, left, and Minister Without Portfolio Lin Wan-i yesterday as he speaks about childcare subsidies at the Executive Yuan in Taipei. | Chien Jung-fong

*Targeting the Birthrate: The premier said that the majority of parents consider it ideal if rearing their preschoolers cost 10% to 15% of their disposable income*

Starting in August, parents are to receive a monthly subsidy of NT\$6,000 (US\$196.25) for each of their children up to the age of two who use semi-public kindergartens or babysitters, the Executive Yuan said July 26.

The announcement came after the Cabinet in May proposed a subsidy program aimed at lessening the burden of child-rearing and boosting the nation's low birthrate.

The subsidy program targets preschoolers aged up to two and those aged three to five, Premier William Lai told a news conference at the Executive Yuan in Taipei.

Parents of children aged up to two who stay at home or attend private daycare centers would each qualify for a subsidy of NT\$2,500 per month, while those whose children attend public daycare centers would receive NT\$3,000 per month, Lai said.

Those whose children are enrolled at a private daycare center or kindergarten that has joined the Cabinet's initiative to transition to a government-subsidized, semi-public institution, or parents who have a contract with a so-called "semi-public babysitter" would receive a monthly subsidy of NT\$6,000, he said.

Parents of preschoolers belonging to a medium-low income family using a semi-public institution or babysitter would each receive a month subsidy of NT\$8,000, while those from low-income families would receive NT\$10,000 per month.

Under the subsidy program, the cost of caring for a preschooler aged between three and five would be capped at no more than NT\$4,500 per month, with the cost further reduced to NT\$3,500 per month for parents with three or more children, the premier said.

*Taipei Times*

### Labor Ministry Aims to Ban Age Discrimination

*By Ann Maxon*



A worker cleans a counter in a shop in Taichung on Nov. 27, 2017. | Taichung City Government Labor Affairs Bureau

*Workforce Strategy: The draft act would require employers to bear the burden of proof and they would have their name published and be fined if found guilty*

To encourage older people to rejoin the workforce, the Ministry of Labor issued a draft act banning age discrimination in the workplace, under which employers who are found guilty could be fined NT\$300,000 to NT\$1.6 million (US\$9,823 to US\$52,387).

According to government statistics, Taiwan is categorized as an aged society, with one in every seven people being an elderly person.

Taiwan's working population — those aged 15 to 64 — has been steadily decreasing, from 17.368 million in 2015 to 17.211 million last year, the ministry said, adding that there are fewer middle-aged and older people in the labor force than in Japan, South Korea and the US.

"Reinvigorating the nation's mid-



# Policy Updates

dle-aged and elderly labor force is an important and pressing issue,” the ministry said.

*Taipei Times*

## Government to Negotiate EU Tariffs on Steel

*By Kuo Chia-Erh*

*Perspective: The provisional measures would not be as tough on Taiwanese steel makers as US levies, the Taiwan Steel and Iron Industries Association chairman said*

The government will continue to negotiate the exemption of Taiwanese steel exports from the EU's 25 percent tariffs, the Ministry of Economic Affairs said.

The provisional safeguard measures concerning 23 categories of steel products came into effect June 20, using the tariff-rate quota system, the European Commission said in a press release on July 18.

It would take the comments from all interested parties into consideration in order to reach its final conclusion, at the latest by early 2019, the commission said.

The government would urge the EU to end its investigation into steel tariffs and ask for a quota for Taiwanese steel sup-

pliers, the Bureau of Foreign Trade said in a statement, adding that the bureau would join a public hearing on the subject in September.

Citing trade data, the bureau said Taiwanese shipments of the 23 steel products to the EU in 2017 totaled US\$1.3 billion, ranking seventh in the European market.

That represented 8.83 percent of Taiwan's total steel exports in 2017, data showed.

*Taipei Times*

## New Car Subsidy for Diesel Owners Extended

*By Lin Chia-Nan*

*Emissions: The subsidy offered to owners of diesel vehicles of more than 3.5 tonnes and made before June 30, 1999, is to continue until 2022, instead of ending next year*

The Environmental Protection Administration extended the subsidy for diesel vehicle owners to purchase new, less-polluting cars, following protests over the past month against tighter emissions standards.

The Air Pollution Control Act amendments passed on June 25 empow-

ered the EPA to tighten emission standards for vehicles more than 10 years old.

Owners of scooters and trucks have held several demonstrations against the plan, saying that their livelihoods might be affected if their vehicles are banned and that the EPA should target bigger pollution emitters such as factories and power plants instead of economically disadvantaged people.

The agency is still drafting emissions standards for older cars, but it has been subsidizing new car purchases since August last year, EPA Department of Air Quality Protection and Noise Control Director-General Tsai Hung-Teh told a news conference.

Owners of diesel vehicles weighing more than 3.5 tonnes and made before June 30, 1999, can receive a subsidy of NT\$50,000 to NT\$400,000 (US\$1,632 to US\$13,053) to replace the vehicle, he said, adding that the subsidy, instead of stopping next year, is to be extended to 2022.

The EPA estimates that replacing old diesel cars by 2022 would reduce annual of PM2.5 emissions- fine particulate matter measuring 2.5 micrometers or smaller – by about 4,000 tonnes.

*Taipei Times*

# About CACCI

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

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

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

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

Published monthly by the Secretariat, Confederation of Asia-Pacific Chambers of Commerce and Industry

Ernest Lin, Director General; Amador R. Honrado, Jr., Editor

Wendy Yang, Contributing Editor; Teresa Liu, Assistant Editor

7F-2, No. 760, Sec. 4 Bade Road, Taipei 10567, Taiwan; Tel: (886 2) 2760-1139; Fax: (886 2) 2760-7569

Email: [cacci@cacci.org.tw](mailto:cacci@cacci.org.tw); Website: [www.cacci.biz](http://www.cacci.biz)