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### Virtual 34th CACCI Conference Scheduled for October



The Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) is pleased to announce that the virtual 34th CACCI Conference will be held on October 30, 2020. The first-ever virtual CACCI Conference will carry the theme “Achieving Sustainable Growth in a Turbulent and Disruptive Global Market.”

The CACCI Secretariat is currently coordinating with the Federation of Indian Chambers of Commerce and Industry (FICCI) on the preparations for the virtual Conference. Members will be duly notified as soon as relevant arrangements are finalized. A Tentative Program containing a list of invited speakers will likewise be issued to members once this is available.

### Deadline for CACCI Foundation Project Proposal submissions Extended to August 31

CACCI wishes to inform Primary Members and Affiliate Members that, at the request of some members, the submission deadline for formal proposals on projects to be financed by the CACCI Foundation has been extended to August 31, 2020.

Chambers are encouraged to submit their formal proposals on projects – either ongoing or still to be implemented – that encourage entrepreneurship and promote the growth and development of SMEs, thereby helping us achieve the objective of the CACCI Foundation.

The CACCI Foundation was established in 2006 to help Primary and Affiliate Members implement projects aimed at promoting entrepreneurship and the development of small and medium enterprises (SMEs). The ultimate objective is to assist chambers in Asian developing countries to become sustained contributors to the economic development of the private sector.

Since its establishment, the CACCI Foundation has helped finance the following four projects (pictured above), with each one receiving US\$5,000:

- “Youth Business Sri Lanka Programme” in Sri Lanka – Managed by the Ceylon Chamber of Commerce, the Programme provided assistance (in the form of a loan of US\$500 and mentoring support) to enterprising youths who have viable business plans but do not have financial resources;

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- b. "Life Forever Beautiful-Organic Mongolia" in Mongolia – An initiative of the Mongolian National Chamber of Commerce and Industry (MNCCI), the project was aimed at procuring yak's milk from herders, with the view to creating a foundation for milk production.
- c. "Promoting Women Entrepreneurship Through Development of SMEs" in Bangladesh – Initiated by the Barisal Women Chamber of Commerce and Industry (BWCCI), the project assisted the entrepreneurial development of women, especially the less fortunate ones, in Barisal, which is an old port located some 353 kilometers from Dhaka in southern Bangladesh.
- d. "Empowering Women Entrepreneurs in Cosmetic Industry" in Mongolia - The MNCCI project is primarily aimed at strengthening the capacity of female-owned cosmetic companies by conducting training to some 200 employees (both women and men) of the 30 Mongolian companies engaged in the manufacture of end-use cosmetics.

## Modi, FICCI, & Secretariat Hold Videocon on Virtual 34th CACCI Conference Preparations



Executives of the CACCI Secretariat led by Director-General Ernest Lin met online on July 29 with officers of the Federation of Indian Chambers of Commerce and Industry (FICCI) led by Mr. Gajendra Badgular, Additional Director and Head, East Asia and CACCI at FICCI. The two sides exchanged views on the Conference program, possible speaker line-up, Conference format, online meeting platform, and other relevant matters.

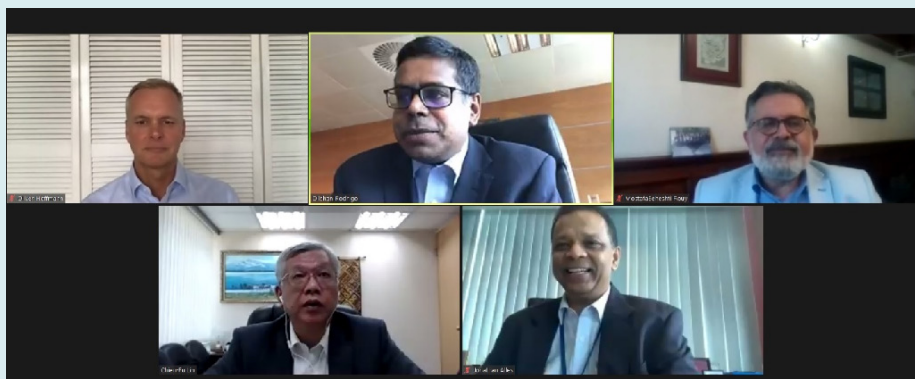
A second videoconference was held on August 6, this time with CACCI President Mr. Samir Modi and FICCI Deputy Secretary General Manish Singhal in attendance.

The virtual Conference is scheduled to take place on October 30, 2020.

## ABA holds Virtual Conference on "Managing Business Continuity and Recovery During COVID-19 and Beyond"

The Asian Bankers Association (ABA) successfully held its first-ever webinar last July 29, 2020, with over 450 registered participants from 15 countries joining the virtual conference on "Managing Business Continuity and Recovery During COVID-19 and Beyond."

Moderated by Dilshan Rodrigo, Chief Operating Officer of Hatton National Bank and Chairman of the ABA Policy Advocacy Committee, the



*Clockwise from top left: Mr. Oliver Hoffman, Mr. Dilshan Rodrigo, Mr. Mostafa Beheshti Rouy, Dr. Lin Chien-Fu, and Mr. Jonathan Alles*

webinar featured representatives from four ABA member banks who discussed the negative impact of the COVID-19 pandemic on their respective economies and organizations, along with the actions

taken by them and by their governments to mitigate the business disruption. They also shared the measures that are currently being set in place as part of efforts to put the economy and the banking industry back on the road to recovery.

The four webinar speakers were:

- Mr. Jonathan Alles, Managing Director and CEO of Hatton National Bank from Sri Lanka and Chairman of the ABA



- Mr. Mostafa Beheshti Rouy, Board member of Bank Pasargad from Iran, and ABA Board member
- Dr. Lin Chien-Fu, Chief Economist of CTBC Financial Holding from Taiwan
- Mr. Oliver Hoffmann, Managing Director, Head of Asia, Erste Group Bank AG, Hong Kong Branch, from Austria and ABA Board member

The presentations by the speakers aimed to provide participants with the opportunity to explore what

the new normal might look like and prepare for it; specifically, how to better understand the current landscape they are operating in, and what must be done to resume operations and achieve business recovery.

For those who missed the webinar or simply wish to revisit it, the complete video recording is available on the [ABA website](#), along with a summary report. Presentation PDFs for two of the speakers are also available for download [here](#).

ASEAN Secretary General Dato Lim Jock Hoi, ASEAN BAC Chair Dr. Doan Duy Khuong stressed “It is time for the faster and more innovative ASEAN Way of doing things if it wishes to get out of the pandemic stronger and more cohesive and responsive.”

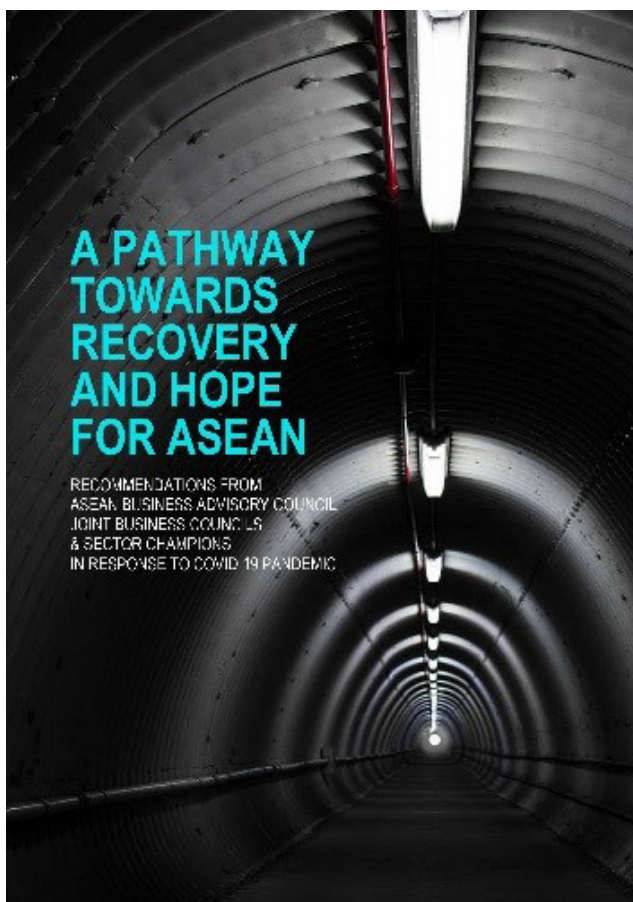
While the ASEAN Leaders have already set the general directions and focus for a regional response to COVID-19 during their virtual Summit in June, the time for doing the groundwork on critical strategic areas must start now. Ms. Siti Rozaimeryanty Dato Hj Abd Rahman, ASEAN BAC Brunei, added that ensuring preventive healthcare reforms are in place to shield ASEAN from other future pandemics and skills preparedness in terms of the new normal or future of work must be kept as priorities.

As the world grapples with the extent of the damage being caused by the ravaging pandemic storm, there is no doubt that ASEAN has this one-time opportunity to play it smart. The private sector has done its part and awaits signals from the public sector on how best to move forward. As Ambassador Mike Michalak from US-ASEAN Business Council said “The ball is in ASEAN’s court on how the region will move forward. We hope to see bold leadership from the ASEAN Chair and the rest of the ASEAN Leaders. The private sector reiterates its commitment to be of help and be a genuine partner. We stand ready to work with ASEAN for a sustainable and rising post-COVID growth path.”

In its transmittal letter, ASEAN BAC 2020 Chair Dr. Doan Duy Khuong, Vice Chairman of Vietnam Chamber of Commerce and Industry, said: “In direct and swift response to the Leaders Declaration’s call to save lives and livelihoods and work towards a sustainable economic recovery plan, we reiterate our readiness to work with ASEAN to process these recommendations in the immediate possible time. It is our strong belief, that only by working closely together -- both private and public institutions as genuine partners – can we achieve faster and sweeping transformation towards a healthier, more globally competitive, more cohesive and more responsive ASEAN.”

## News Updates

### ASEAN BAC Submits Recommendations to ASEAN Leaders on the Pandemic



with the Joint Business Councils (of which CACCI is an Associate Member) and Sector Champions of ASEAN BAC, the package is entitled “A Pathway to Recovery and Hope for ASEAN.”

According to ASEAN BAC, “As we gradually open our economies, the risk of increase in the level of infection remains. It is therefore critical for businesses to protect their workforce while operations recommence. From the production side, the same applies to the consumer side where a safe environment for transactions can take place so trust and confidence are restored to get economies going again in as safe an environment as possible whilst minimizing the

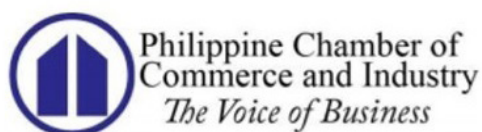
impact on economic activity while restoring consumer confidence.”

During the recently concluded Virtual High-Level Dialogue on ASEAN Post-Pandemic Recovery initiated by

The ASEAN Business Advisory Council (ASEAN BAC) has submitted to the ASEAN leaders a package of recommendations in response to the COVID-19 epidemic. Formulated together



### Philippine business groups urge recovery plan to rescue economy, MSMEs



**Employers  
Confederation  
of the  
Philippines**



environment  
and agri-related  
bills to help  
institutionalize  
reforms and  
accelerate



Days ahead of Philippine President Rodrigo Duterte's State of the Nation Address (SONA), the country's largest business organizations appealed to the President to implement long-awaited economic measures to ensure the country's recovery and save micro, small and medium enterprises (MSMEs) fighting for survival amid the pandemic.

The Philippine Chamber of Commerce and Industry (PCCI), Employers Confederation of the Philippines (ECOP) and Philippine Exporters Confederation, Inc. (PHILEXPORT) sounded the urgent call in a letter to the President a few days ahead of his fifth SONA on July 27.

The groups in the joint statement pointed out that while health-related initiatives to tackle the COVID-19 crisis should be prioritized, a clear strategy for economic revival should also be outlined during the President's SONA.

"While we agree that health-related programs and policies should be prioritized in the context of this crisis, we likewise believe in balancing this objective with setting the economic stage towards recovery and progress," the three groups representing businesses, employers, and exporters and MSMEs stated.

On legislative measures, the organizations especially recommend the urgent approval of the Corporate Recovery and Tax Incentives for Enterprises Act (CREATE), as this will help attract investments and "create significant and favorable impact on the cash flow" of recovering MSMEs, which have suffered heavily this crisis.

Also recommended is the swift approval of the Accelerated Recovery and Investments Stimulus for the Economy (ARISE) and the COVID-19 Unemployment Reduction Economic Stimulus (CURES) bills. These bills are necessary in providing essential support for critically impacted farmers and fisherfolk, small businesses, tourism, transportation, and other industries.

Also crucial are skills and education, infrastructure,

developments in these sectors.

The letter listed some of the priority bills as amendments to the Public Services Act, Magna Carta for MSMEs, and PPA Charter; Open Access in Data Transmission Act, Warehouse Receipts Act and Apprenticeship Training System Act.

On the executive side, concerned government agencies were urged to undertake the following:

- Implement the National ID system to help facilitate distribution/availment of social protection programs among other benefits;
- Fund the continuing implementation and maintenance of TradeNet, the government's online;
- Accelerate the trade facilitation portal, to lower cost and ease document processing;
- Facilitate the implementation of the ATA Carnet system to enable enterprises to access more foreign markets;
- Prioritize farm/fishing areas-to-market roads and agri- and aqua-culture infrastructure in the Build Build Build priority projects;
- Expand participation of private sector groups in planning and formulating guidelines on the lifting of ECQ that won't compromise lives and livelihood;
- Set up quarantine facilities in strategic locations in municipalities and cities;
- Implement full computerization of government processes such as at the Food and Drug Administration and the Philippine National Police (PNP) to lower cost and promote ease in doing business;
- Attend urgently to pending issues on regulated chemicals by the PNP for trade facilitation;
- Increase export promotion and MSME funds to help in the recovery of exporters and MSMEs; and,
- Accelerate automation and integration of business permitting and licensing systems (BPLS), which has become more crucial amid COVID-19 and physical distancing.

"We are confident that these measures, if expeditiously enacted, will significantly help in the joint government and private sector objectives of recovery towards higher and sustained economic performance," said the [letter](#) signed by Ambassador Benedicto V. Yujuico, president of PCCI; Edgardo G. Lacson, chairman of ECOP; and Sergio R. Ortiz-Luis, Jr., president of PHILEXPORT.

*PCCI News*



### Riyadh hosts G20 talks on debt crisis, virus recovery

G20 nations are to consider extending debt relief for poor countries affected by COVID-19 in the second half of this year, the group's finance ministers and central bankers said after talks on July 18 aimed at spurring global economic recovery.

The 20 most industrialized nations announced in April a one-year debt standstill for the world's poorest nations, but campaigners have criticized the measure as grossly inadequate to stave off the knock-on effects of the COVID-19 pandemic.

World Bank president David Malpass called for the debt suspension initiative to be extended through the end of next year, while multiple charities, including Oxfam, said it needs to be stretched through 2022 to avert a "catastrophe for hundreds of millions of people."

In their final statement after the virtual talks hosted by Riyadh, G20 ministers and bankers said they would "consider a possible extension of the debt suspension initiative in the second half of 2020."

So far, 42 countries have applied for the initiative, asking for a cumulative US\$5.3 billion in debt to be deferred.

Any extension of the initiative would be based on how the pandemic develops and recommendations of the IMF and World Bank that would be submitted to G20 members in advance of their meeting in October.

The July 18 talks, chaired by Saudi Minister of Finance Mohammed al-Jadaan and Saudi Arabian Monetary Authority Governor Ahmed al-Kholifey, came as the pandemic continues to batter the global economy and campaigners warn of a looming debt crisis across poverty-racked developing nations.

French Minister of Economy and Finance Bruno Le Maire voiced



Photo: CGTN

optimism that the initiative would be extended, saying that G20 states were on track to securing a deal on this "fundamental issue."

Meanwhile, Germany pledged an additional 3 billion euros (US\$3.43 billion) in the form of long-term loans to IMF's poverty reduction program for low-income countries.

Despite the group's initiatives so far, 73 of the world's poorest countries are still required to pay up to US\$33.7 billion in debt repayments through the end of the year, according to data from the charities Oxfam, Christian Aid and

Global Justice Now.

"The global economy has been hit harder by the coronavirus than the already dire predictions we saw in April — the G20 finance ministers have the mandate to avert an impending catastrophe for hundreds of millions of people," Oxfam interim executive director Chema Vera said. "They must make [the initiative] legally binding to cancel all debt payments, including private and multilateral, through the end of 2022 and also include middle-income countries."

Amnesty International also called on G20 nations to "cancel the debt owed by the poorest countries for at least the next two years."

According to Amnesty acting secretary-general Julie Verhaar, "If we are to build resilience to future crises, we need to make long-term structural changes that will require courage and leadership from G20 countries," Verhaar said.

AFP

### EU Clinches Massive Stimulus Deal to Bind Continent Together

European Union leaders agreed on an unprecedented stimulus package worth 750 billion euros (\$860 billion) to pull their economies out of the worst recession in memory and tighten the financial bonds holding their 27 nations together.

The agreement required the unanimous approval of the member states and represents a victory for German Chancellor Angela Merkel and French President Emmanuel Macron, who drafted an early outline for the proposal in May. The emergency fund will give out 390 billion euros of grants and 360 billion euros of low-interest loans.

Almost a third of the funds are

earmarked for fighting climate change and, together with the bloc's next 1 trillion-euro, seven-year budget, will constitute the biggest green stimulus package in history. All expenditure must be consistent with the Paris Agreement's goal of cutting greenhouse gases.

The emergency funds will not only unleash vital financial support to the southern European economies hit hardest by the virus, but serve as validation that the bloc can offer meaningful solidarity to members in need. With the death toll among EU citizens climbing past 130,000, investors were looking for a display of unity to sustain the rally in stocks.

Italy, the original European



## News Updates



*French President Emmanuel Macron and German Chancellor Angela Merkel (Deutsche Presse-Agentur)*

epicenter of the pandemic, will likely be the biggest beneficiary from the plan and expects to receive about 82 billion euros in grants and about 127 billion euros in loans, according to initial estimates, a senior Italian official said. Provisions to combat sliding democratic standards in eastern Europe were weakened at the last-minute to get the deal over the line.

Greece will receive 19 billion

euros in grants from the stimulus plan and 12.5 billion euros in loans, according to Prime Minister Kyriakos Mitsotakis.

The accord did not come easy. Talks came close to collapse at several points over the summit as clashing national interests suggested consensus might be out of reach.

While governments all agreed that economic contractions of as much as 10% in some countries called for extraordinary measures, they bickered for hours over the final amount of grants, as well as how future disbursements could be scrutinized.

Crucially, the final compromise also included budget rebates for four fiscally hawkish northern countries, reducing Denmark, Germany, the Netherlands, Austria and Sweden's net contributions by more than 50 billion euros over seven years.

In the end, it largely came down to offering enough sweeteners to that group, which had been pushing

for a smaller package. To bring them on board, Merkel, Macron and leaders from Europe's South agreed to reduce the grants envelope from 500 billion euros as proposed.

The recovery package would be financed by joint EU debt issuance, marking a major step toward further economic integration in the bloc. The money will need to be repaid by the end of 2058 and will come out of the EU's budget, meaning countries that contribute more, like Germany, will be shouldering more of the financial burden.

In order to defray the cost of the program, the bloc will increase the amount of revenue it can collect. A new tax on non-recycled plastic waste will be introduced next year, and the European Commission is preparing proposals on a digital tax and a carbon border adjustment mechanism that would take effect in 2023.

*Bloomberg*

## ICC Issues Open Letter to G20 Ministers Responsible for the Digital Economy

The International Chamber of Commerce (ICC) called on G20 leaders to implement policies that will enable the deployment of digital technologies to tackle the consequences of COVID-19.

In his open letter to G20 ministers responsible for the digital economy, ICC Secretary General John W.H. Denton AO outlines five specific policy interventions that, if adopted, will enable the development of digital economies and build a more resilient economy. Building upon the COVID-19 Response Statement following the G20 Digital Economy Ministerial Meeting on April 30 2020, the letter makes a number of recommendations aimed at unlocking the full potential of digital technologies.

The five policy interventions outlined in the letter are:

- Devise long-term strategies to bridge the digital divide.
- Develop a robust global framework on cybersecurity.
- Advance data free flow with trust.
- Enable responsible, human-centric and trustworthy artificial intelligence.
- Maintain momentum on the Joint Statement Initiative on E-Commerce.



*Photo: The G20 Digital Ministers Meeting on April 30, 2020 (MENAFN)*

In addition, the letter calls upon the G20 to work in close partnership with business and civil society to address digital gaps and policy challenges that the COVID-19 pandemic has revealed.

Click [here](#) to read the letter in full.



### Poor countries are running out of time to get rich

The United Nations predicts that by 2027, India will overtake China as the world's most populous country. Estimates suggest India and Nigeria will together add 470 million people in the next three decades — almost a quarter of the world's population increase to 2050. According to a new study from the University of Washington, however, several developing nations may find their so-called demographic dividend much less of a boon than anticipated.

Published in the *Lancet*, U.W.'s study has improved on the United Nations' model by modelling fertility differently and making its decline more sensitive to the availability of contraception and the spread of education. In many parts of India, for instance, the total fertility rate — the expected average number of children born to each woman — is already well below the replacement rate of 2.1 and dropping faster than expected. The study, which also tries to account for the feedback loops between education, mortality and migration, concludes that populations around the world are going to start shrinking sooner and faster than projected.

South Asia, for example, would have 600 million fewer people in 2100 than previously predicted thanks to lower-than-expected levels of fertility. Instead of growing throughout, India's population would peak in 2050 and then decline to 70% of that number by the end of the century. By that point, China's population would be about half its current size. On the other hand, sub-Saharan Africa would continue to grow, with Nigeria entering the 22nd century as the world's second-largest country, behind India and just ahead of China and Pakistan.

For policymakers in India and several other developing nations, this isn't good news. As the authors of the U.W. study point out, a shrinking global population has "positive

implications for the environment, climate change, and food production." But it also means time is running out — indeed, may already have run out — on those nations' development clocks.

China has been truly fortunate in its demographics; it peaked at the right time. Working-age Chinese people, both in total numbers and as a share of the population, crested just when world trade was most open. This made the possibilities for manufacturing-led growth easier to seize than they had been for centuries.

Those countries that come next — India and Pakistan in particular — will confront a more closed world. And, worse, they now know that it is people currently in the workforce, or children in school, who over their lifetimes will have to lift the country to prosperity. For countries whose populations will begin to decline in the 2040s, this generation of workers and the next is all there is: They must, like their Chinese counterparts in the last two decades, push their countries from farm to factory and beyond.

Right now, India's boosters tout the fact that its working-age population swells by a million people a month, propelling economic growth. If that demographic push runs out sooner than expected, growth will depend on individual productivity, not sheer

numbers. That means education and healthcare and similar "soft" infrastructure no longer look like rich-country luxuries. Unless they are put into place within the next decade, indeed within the next few years, countries such as India, Indonesia and Brazil may never become rich.

There are other dangers, some of which the *Lancet* article gestures at in passing. It is the spread of women's education and women's reproductive rights that are causing these declines in fertility. Unless women gain political clout to match, they might well end up being "blamed" for the loss in national power caused by a graying population. Those hard-won rights might begin to be curtailed. In places with particularly patriarchal societies, like much of South and West Asia, this is even more of a danger than elsewhere.

Even the most fortunate countries will need to be careful. By 2050, as expected, China will be the world's largest economy. But the study authors predict that, as the Chinese population declines, immigration should in theory continue to bolster America's workforce. The United States could again become the world's largest economy in 2098 — if the country lives up to its ideals and continues to welcome the world's migrants.

*Bloomberg*



*Photo: Phil Price / Flickr*



### ICC and UNICEF Call for Greater Public-Private Sector Collaboration in Response to COVID-19



The International Chamber of Commerce (ICC) and the United Nations' Children Fund (UNICEF) on July 21, 2020 issued a call for enhanced cooperation between the public and private sectors to strengthen the response to COVID-19 and enable a resilient and sustainable rebuild from the pandemic.

The ICC is the institutional representative of more than 45 million companies in over 100 countries. UNICEF is a United Nations agency responsible for providing humanitarian and developmental aid to children worldwide.

Entitled "Reimagining the World We Need," the joint statement leverages the organizations' respective expertise in the fields of business and children's rights to set out a common vision to address the economic, health, and societal consequences of COVID-19. To this end, ICC and UNICEF have identified eight concrete areas where enhanced public-private collaboration can ensure a fairer, healthier, and more prosperous world for all.

The call to action responds to growing concerns about the accelerated spread of the virus in several regions and the economic fallout from the pandemic – which, absent of effective interventions, is expected to lead to widespread business foreclosures and an estimated 86 million children falling into poverty this year.

The ICC and UNICEF are calling for greater collaboration on the following measures:

1. Making diagnostics, treatments and vaccines available for

everyone, everywhere

2. Supporting industries that produce and deliver critical goods and services, with particular focus on strengthening supply chains and enhancing preparedness for and resilience to future shocks
3. Scaling up family-friendly policies and other good workplace practices in the context of COVID-19
4. Advocating for the implementation of stimulus measures that channel support to the real economy
5. Keeping children learning, reimagining education, and accelerating digital learning for every child and every school
6. Preparing the next generation of employees, employers and entrepreneurs through peer-to-peer learning, skilling and apprenticeships
7. Bolstering and adapting coping and protection mechanisms to address mental health and vulnerability to abuse, and to combat stigma, xenophobia and discrimination for employees and their families
8. Ensuring affordable, continuous and high-quality, hygiene and sanitation services and products everywhere

On the announcement of the joint call to action, ICC Secretary General John W.H. Denton AO said: "The very nature of the COVID-19 crisis calls for a response that places public-private

cooperation at its very core. We will only be successful in mitigating the worst effects of the pandemic if we break traditional silos and forge partnerships capable of containing the spread of the virus, protecting jobs and supporting families. Our call for global collaboration to protect lives and livelihoods is not simply a moral argument – in an interconnected economy, there will be no recovery from COVID-19 unless we work together to protect everyone, everywhere."

UNICEF Executive Director, Henrietta Fore said: "UNICEF and ICC are calling on the public and private sectors to reimagine and rebuild systems and economies that will benefit everyone, including the poorest and most vulnerable children and families. No one entity can do it alone, and we need global solidarity more than ever before to build back better."

The full text of the call to action can be read [here](#).

### Wellington Chamber supports Ministry of Education-sponsored skills and career festival

The Wellington Chamber of Commerce proudly supports the Ministry of Education-sponsored skills and career festival held at Wellington College on August 18.

This event was created to support Pacific students to engage with employers, businesses, and industries so they can be inspired to think about future employment while in compulsory education. International research shows students who have four or more engagements with employers are 25% less likely to become unemployed once they leave school.

Through employer engagement, young people often gain access to new and trustworthy information and also gain useful networks. This raises



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Photo: COD Newsroom / Flickr

aspirations and broadens horizons for students. Likewise, employers have the ability to open up to new and potential candidates to join their industry now and into the future. It allows businesses to add and develop a diverse workforce, consequently demonstrating business commitment in supporting New Zealanders in this uncertain time.

Expected to be in attendance are roughly 500 Year 11 - 13 Pacific students from 8 different colleges, who have a desire to know more about various industries and its occupations.

Light food and refreshment will be available for employers and business representatives. Students will also be giving cultural performances after the festival.

### Philippine CCI Holds 29th South Luzon Area Business Conference



The Philippine Chamber of Commerce and Industry (PCCI) recently organized the 29th South Luzon Area Business Conference on August 6 to 7, 2020.

Conducted via the Zoom online platform, the two-day event gathered prominent business leaders and members of local chambers from the country's Regions IV and V, key national and local government officials, industry associations, academe and other stakeholders to discuss critical issues affecting businesses.

With the theme "Surviving the Challenges of the Pandemic Through Innovation", the conference highlighted innovative approaches to address enterprise competitiveness concerns as well as the requirements for business recovery, resilience and sustainability.

The PCCI is currently under the leadership of Amb. Benedicto Yujuico, former President of CACCI (serving the term 2010-2014) and a current member of the CACCI Advisory Board.

### FBCCI President pays courtesy visit to newly-appointed Bangladesh Ambassador to Kuwait



Sheikh Fazle Fahim, President of the Federation of Bangladesh chambers of Commerce and Industry (FBCCI), paid the newly appointed Bangladesh Ambassador to Kuwait, Major General Md Ashikuzzaman, a courtesy visit on July 19.

Fahim congratulated the new ambassador on his ascension to the new position during the meet. A memorandum, on behalf of FBCCI, was handed over to Ashikuzzaman. During the occasion, the FBCCI president emphasized on expanding bilateral trade and investment between Bangladesh and Kuwait.

The ambassador said he would continue to work closely on bilateral, regional, global and trade issues of Bangladesh-Kuwait common interest. FBCCI Director Md Munir Hossain and Additional Secretary Md Mamunur Rahman, along with senior officials of the organization, were also present during the handing over of the memorandum.

### SBF Joins ABAC's Call for APEC to Lead a Globally Coordinated Response to the COVID-19 Pandemic and Support for the WTO

The Singapore Business Federation (SBF), as the national secretariat for the APEC Business Advisory Council (ABAC) Singapore, supports the call for APEC to lead a globally coordinated response to the COVID-19 pandemic. Led by SBF CEO Mr. Ho Meng Kit, and Ms. Teo Lay Lim, Senior Managing Director of Accenture, SBF participated in ABAC's series of virtual meetings on the COVID-19 pandemic held between 14 May and 24 June 2020.

Mr. Ho emphasised that the severe health and economic impacts caused by COVID-19 require a globally coordinated response from the Governments as well as businesses. Sharing the example of the Singapore-New Zealand Declaration on Trade in Essential Goods for Combating the COVID-19 Pandemic during one of the virtual meetings, Mr. Ho called for APEC economies to work together by joining the declaration and using it as a basis for a regional or multilateral

agreement at the World Trade Organization (WTO).

The outcomes from these discussions have shaped the ABAC COVID-19 Report which provide short- and long-term recommendations from the business community to APEC Trade Ministers on laying the groundwork for economic recovery and building resilience in the region. The Letter and Report to the APEC Ministers Responsible for Trade (MRT) was presented during the Virtual MRT Meeting on July 25.

ABAC Members also took the opportunity to express their support for the WTO and the multilateral trading system which are essential for the global economic recovery. As an intergovernmental platform for multilateral commitments, the WTO can help to ensure that member economies remain accountable and transparent in their regulatory measures, providing businesses a predictable trade and investment environment.

### FPCCI Organizes Webinar on the "Promotion of Exports of Non-Traditional Items"



#### The Federation of Pakistan Chambers of Commerce & Industry

The Federation of Pakistan Chamber of Commerce and Industry (FPCCI) conducted a webinar on July 29 on the "Promotion of Exports of Non-Traditional Items." It was organized by the FPCCI Head Office in Karachi, Regional Office in Lahore, and Capital Office in Islamabad and held via Zoom.

Sheikh Sultan Rehman, Vice President of FPCCI, stated that Pakistan's exports have been stagnant between US\$ 20 billion to US\$ 25 billion for many years. He added that Pakistan has limited its exports to a few items, i.e. textile, carpet, sports, leather, and surgical goods, which contributed to more than 75% of exports. At present, Pakistan is facing tough competition from regional countries in terms of cost of production, quality, and economy of scale.

Sheikh Sultan Rehman

underlined the need for promoting local handicrafts, softwares, vegetables, fruits, dry fruits, livestock, chemical, dairy products, etc. He also emphasized on the exploration of a non-traditional market with non-traditional items.

Mr. Riaz Sheikh, Acting Secretary of the Trade Development Authority of Pakistan (TDAP), said the performance of Pakistan's exports is comparably better than the other countries, despite the fact that COVID-19 resulted in a lockdown of all the country's provinces for three months. He added that TDAP is giving a 60% subsidy to non-traditional items and 80% to non-traditional markets, and suggested organizing a single-country exhibition in Central Asia, Africa, and South America to market non-traditional items.

Mr. Zakaria Usman, Former FPCCI President, added that the enhancement of exports is crucial, and

underscored the need for incentives to be given by the government on the exports of non-traditional items. He urged new investments in import substitution in plastic and agro-based, and suggested the government should increase private sector credit for non-traditional sector investments.

Ms. Qaisra Sheikh, Coordinator of Women Entrepreneurs, called for enhanced participation in exhibitions of non-traditional items, and added that Pakistani missions in foreign countries should market the potential of Pakistan's non-traditional exports.

Mr. Saquib Fayyaz Magoon, Former Vice President of FPCCI, highlighted the scope of chemicals for exports of sanitizers and other products during the COVID-19 period. He said that by value-addition, Pakistan can become a big exporter of chemical items as well.

Ms. Mehreen Ilahi, President of Women Chamber District East, drew attention to the export potentials of pink and rock salt, stones, religious items, gems & jewelry, ceramics and handicraft to European and African countries. She also urged the participation of women entrepreneurs in handicrafts and other specialized exhibitions.



### CCIRF Announces Winners of 2019 Golden Mercury competition

The Chamber of Commerce and Industry of the Russian Federation (CCIRF) has announced the winners of the Golden Mercury competition for 2019. The Chamber held



an online ceremony to award the Golden Mercury — the National prize in the field of entrepreneurship — at “Russia Today” International Multimedia Press Center. The competition among Russian small enterprises and exporting enterprises has been held annually since 2004 by CCIRF, with the support of the State Duma and the Federation Council.

The winners of the competition will receive the symbols of “Golden Mercury” - statuettes of the ancient Roman god of trade, made according to the sketches of the sculptor Vladimir Surovtsev, while the laureates of the competition will receive special commemorative medals. All participants are awarded diplomas from CCIRF and the right to use the emblem of the Golden Mercury competition in their work as an indicator of the high quality of their

products and services. Following the results of the competition, letters are sent to the heads of the constituent entities of the Russian Federation with information

that the regional enterprise has become the winner in one category or another and with a proposal to take this into account in solving the problems of economic development of the territory.

The Golden Mercury competition for 2019 showed that even in difficult times of the COVID-19 pandemic, Russian small and medium-sized businesses are working and are becoming an increasingly important factor in economic recovery and development. Involvement in the competition is evidence that entrepreneurs have not abandoned their business in difficult times. The Chamber of Commerce and Industry of the Russian Federation has deep respect for such entrepreneurs, and for their effort, working with them for the development of the Russian business sector.

of technologies ranging from imaging chips to electric vehicle batteries, Japan ranked 23rd out of 63 nations in digital competitiveness last year, according to the International Institute for Management Development. While a chronic labor shortage caused by the declining population was already spurring businesses to automate, the COVID-19 outbreak is pushing the transition to the digital workplace into higher gear.

“Many companies small and large have talked about digitization as being important, but put it off,” said Miku Hirano, chief executive officer of Cinnamon Inc., a provider of AI-based business solution services. “Now, the pandemic is making them take up the mission.”



Photo: Bloomberg

Although Prime Minister Shinzo Abe lifted the official state of emergency in late May, companies such as Hitachi Ltd. and NTT Corp. plan to keep work-from-home measures in place for better operational efficiency. Earlier this month, Fujitsu Ltd. said it would halve its office space over the next three years, encouraging the electronics maker's 80,000 staffers to work primarily from home.

Small and mid-size companies, which make up more than 90% of the nation's enterprises, are also embracing change. While it closed its doors during April and May, the Szechwan Restaurant chain used the time to ditch manual schedules and set up spreadsheets instead, and hold meetings via video chats.

The government is also playing catch-up, with plans to upgrade the

### Pandemic forces digital change on Japanese companies

The coronavirus pandemic may be a drag on economies across the globe, but in Japan it's bringing long-overdue changes in work habits and tools.

About 90% of refiner Idemitsu Kosan Co.'s nonmanufacturing employees have worked from home. Department

store chain Isetan Mitsukoshi Holdings Ltd. is using video chats to offer shopping suggestions online, while smaller enterprises are embracing digital tools. Digital signatures are finally taking hold, replacing official stamps and seals.

Despite being at the forefront



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digital infrastructure of ministries and public services next year after the pandemic revealed the dated nature of its administrative operations.

Yasutoshi Nishimura, the minister of economy and minister in charge of the coronavirus response, called on companies to have 70% of their employees work from home, shift work hours to avoid peak commuting periods and refrain from large gatherings for meals.

And industries such as real estate and retail, which once sought out third-party providers to develop tools, have started to look for their own engineers to develop in-house software and systems, according to Shiro Hayasaki, a manager at Recruit Holdings Co., the staffing and internet services company. Recruit Sumai Company Ltd., a related unit, said in April that 47% of employees and public servants were teleworking, up from 17% in November.

The push to work more efficiently is also forcing companies to be more decisive, according to Shinji Asada, the former head of Salesforce Ventures in Japan who recently started his own venture firm, One Capital. "For digital companies, the infrastructure is in place to make quicker decisions," he said.

*Bloomberg*

## VCCI Can Tho launches website to explain EU free trade deal

The Can Tho branch of the Vietnam Chamber of Commerce and Industry (VCCI Can Tho) has launched an online portal and consultancy on the EU-Vietnam Free Trade Agreement (EVFTA) for the benefit of businesses in the Mekong Delta region.

Speaking at a ceremony held to announce it in the delta city on July 31, Nguyen Phuong Lam, director of the branch, said the EVFTA offers many opportunities as well as challenges to businesses, especially in the delta. It would help increase Vietnam's exports to EU member countries by 45% by 2030 and the country's GDP by an additional 7% in 2029-33, he said.

The new portal would help local businesses thoroughly understand the contents of the agreement. It would offer consultancy by independent experts in



*Photo: VNA*

each specific area of the agreement such as tariff commitments, goods origin rules, Sanitary and Phytosanitary (SPS) measures and Technical Barriers to Trade (TBT) agreements, intellectual property rights, registering for and protecting geographical indication (GI), and how to enter the EU market, he listed.

It would also provide up-to-date information about policies, laws and other related content, enabling businesses to take advantage of opportunities and avoid risks.

The experts in the portal advisory board will answer businesses' queries within three working days besides which all questions will be aggregated and posted on the website, according to the VCCI Can Tho.

*VNS*

## FNCCI asks 'capable' borrowers to clear dues



The Federation of Nepalese Chambers of Commerce and Industry (FNCCI) appealed to industrialists and business people to clear bank dues if they are in a position to do so.

In a notice issued mid-July, the umbrella organisation representing the private sector stated that the government should immediately defer the bank due

clearance period for borrowers as a majority of borrowers are facing cash shortage at the moment and are unable to clear loans and interests. However, FNCCI requested industrialists, business people and traders to clear their bank dues if they are able to do so.

Additionally, FNCCI requested borrowers file complaints at FNCCI regarding their problems in clearing bank dues. "As FNCCI is in constant discussion and touch with banks and the government, we will try addressing borrowers' issues through different means," reads the FNCCI notice.

FNCCI says it has requested the government and banks to defer

loan and interest payment period for those businesses that have been hugely affected by COVID-19, restructure their loans, and ensure loans through the refinancing facility of the government and Nepal Rastra Bank (NRB).

NRB Governor Maha Prasad Adhikari had also previously issued a public appeal to businesses to clear bank dues while assuring to that the payment period will be deferred for businesses that are unable to pay now.

According to Bhuwan Dahal, chief executive officer of Sanima Bank and president of Nepal Bankers' Association, large corporate houses and small entrepreneurs whose businesses have not been affected largely have started clearing bank dues.

*Himalayan Times*

### JETRO to help companies export refined made-in-Japan crafts online



*JETRO Chairman Nobuhiko Sasaki (Kyodo)*

The Japanese government-linked Japan External Trade Organization (JETRO) will help local companies export made-in-Japan refined crafts including stationery, furniture and accessories through online business meetings with overseas buyers amid the coronavirus pandemic.

The organization has picked 519 items by 121 producers for this year's Takumi Next project aimed at supporting Japanese craftsmen's forays into markets abroad. Takumi means artisan in Japanese.

JETRO has established an online

system by which crafts producers can access buyers and seek advice from experts in reaching out to overseas markets. It will also create video clips to promote the products on social media such as Instagram.

The items include textiles, wood crafts, glassware, leather goods, metalwork, ceramics and washi paper products. The organization will launch online sales negotiations this month with 17 e-commerce buyers from such countries and regions as France, Malaysia, Singapore, Thailand, the United States, Hong Kong and Taiwan.

After deals are reached, the Japanese products are expected to be sold via the e-commerce buyers' websites and pop-up stores, according to JETRO.

The Takumi project started last year to promote sophisticated Japanese products made with traditional techniques and in rich cultural contexts, with JETRO endorsing 260 products by 101 companies for the first year. All of them had to negotiate with buyers face-to-face.



In fiscal 2019 that ended in March, a total of 133 business deals were expected to be struck between the producers and buyers.

This year, around 180 crafts producers applied for the project and the 121 companies from 36 prefectures whose items fit the image of "Japan luxury" were selected, according to JETRO. Among the items picked for this year's project is a "happi" coat with designs including Mt. Fuji produced by Surprise Creative Ltd. The traditional coats are now occasionally worn at festivals.

JETRO will also form a community of crafts makers on a social media platform so they can collaborate to develop new products and discuss countermeasures when mutual issues emerge.

*Kyodo*

### Japan Push to Cut China Reliance May Be Boost for Southeast Asia

Japan's quiet push to protect its supply chains in the era of COVID-19 may prove a boon for Southeast Asian nations looking to gain from the growing backlash against China.

The Japanese government is paying about 12 billion yen (\$114 million) to 30 companies to increase production in Southeast Asia, in the first round of a multi-billion-dollar program to diversify supply chains after COVID-19 and worsening relations between the U.S. and China.

Japan wants to cut its reliance on China or any other individual nation and the money will hasten the trend of firms moving out of China and into cheaper neighbors like Vietnam or Thailand.

Fujikin Inc. makes parts used in semiconductor manufacturing and is one firm benefiting from the incentives. The Osaka-based manufacturer will receive subsidies worth two-thirds of its costs to shift production out of China and into

Vietnam.

#### **China Rethink**

The coronavirus outbreak, and the lockdowns that followed, have forced businesses and government officials around the world to rethink their supply chains in order to reduce reliance on China as a manufacturing source.

Japan had already been a key player in Southeast Asia, home to some of Asia's fastest-expanding economies before the pandemic and a growing and youthful population. Japanese investment into five of the region's economies -- Vietnam, the Philippines, Malaysia, Indonesia and Thailand -- rose at nearly double the pace into China over the past decade.

Infrastructure development formed a big chunk of that investment, with Japanese firms vying with Chinese ones to build railways and hospitals in countries like Indonesia, the





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*Fujikin's production branch in Vietnam (Fujikin Inc.)*

Philippines and Vietnam.

The U.S.-China trade war and worries about China's growing dominance in Southeast Asia have fostered stronger economic ties between Japan and the region.

### **Vietnam's Boom**

Vietnam has emerged as the clear favorite for many manufacturers over the years, given its proximity to China, relatively low labor and power costs, and its openness to foreign investment.

Of the 30 firms that secured Japanese government subsidies to expand production abroad to protect their supply chains, half of them will be using that money in Vietnam.

One of them is Showa International Co., a Tokyo-

based business that's been making clothes in Vietnam for 25 years. The pandemic has seen it ramp up production of medical gowns and masks.

In the first round of the new subsidy program, 57 companies shared 57.4 billion yen to boost output in Japan, and the 30 companies shared about 12 billion yen to increase output in other nations. That leaves around 174 billion yen that firms can apply for in the next round.

### **Indonesia Investment**

Indonesia, Southeast Asia's largest economy and the world's fourth most-populous nation, is another country that's benefited from a surge in Japanese investment, including in Jakarta's first underground rail network.

Japan was the biggest Asian investor in Indonesia in the first quarter, according to data from the central bank. In June, authorities announced that seven foreign companies will relocate their plants from China to Indonesia with a total investment value of \$850 million. Three of them were from Japan, including electronics giant Panasonic Corp. and auto parts maker Denso Corp.

Within Japan, pressure is growing to secure supply chains.

"In the past supply chains were put together solely from the perspective of economic rationale," Akira Amari, a confidante of Prime Minister Shinzo Abe and a senior ruling party official, said in an interview in July. "Amid the coronavirus crisis, the thinking is shifting toward diversifying risk from the perspective of national economic security."

*Bloomberg*

## COVID-19 Highlights Need for Digitizing and Automating Trade in South Asia



*Trucks at the Petrapole-Benapole border crossing, the largest land port between Bangladesh and India (Erik Nora/World Bank)*

Early in March, amid concerns about the spread of COVID-19, Bangladesh, Bhutan India, and Nepal (BBIN countries) placed restrictions on the movement of people and freight

between their countries. Supply chains were disrupted, and trade flows were heavily impacted as a result.

Thousands of trucks, many loaded with perishable goods, were

reportedly stranded at the border between India's northeastern state of Assam and Bangladesh, resulting in significant daily loss.

Similar disruptions were reported at Petrapole-Benapole —the largest land port in South Asia where more than 2,000 trucks were stranded for weeks as authorities struggled to find the right approach to mitigating COVID-19 risks.

The pandemic's toll has been staggering. Besides claiming around 750,000 lives worldwide as of mid-August, it has crippled economies. The World Bank estimates that South Asian countries will likely experience the worst economic performance of the past 40 years. Trade has been severely impacted too with transport costs soaring driven by additional inspections, reduced hours of operation, road closures, and border closures. WHO is forecasting a



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year-on-year drop in global trade of around 18.5%. The Government of India estimates the country's imports will contract 47% in financial year 2020/21, while exports will fall 26%. **COVID-19 can pave the way for a digital transformation in trade processes**

While the pandemic is undoubtedly changing our way of life – from social distancing norms, remote working and greater reliance on e-commerce – it may also act as a catalyst to make trade more resilient and less costly by digitizing and automating the trade process. According to the Deutsche Post DHL, the world's largest logistics company, the pandemic has revealed that countries with less bureaucracy and cost at the border have been able to benefit ahead of those that have not during the pandemic.

The need for such transformative change is most compelling in BBIN countries. Trade in the sub-region is paper-heavy, often requiring physical submission of paper documents to the various government agencies regulating trade. This adds complexity, frequently delay border clearance, provide opportunities for rent seeking, and act as a costly impediment to the private sector.

There have been positive examples of BBIN countries introducing measures to expedite the movement of cargo amidst the crisis. India introduced a 'faceless assessment' program to assess declarations online irrespective of the port of arrival, and established a dedicated single window COVID-19 helpdesk. Nepal Customs formed a Quick Response Team to ensure essential goods are cleared within two hours. Bangladesh waived import duties on priority medical supplies, and accepted electronic copies for assessing goods imported from select countries. Bhutan implemented zero contact clearance procedures and release consignments with minimal interference.

Bolder steps to digitize and



*Bhomra land port (World Bank)*

modernize are needed to ensure the long-term health and security of trade chains in the sub-region. Impediments that previously prevented governments from adopting new innovations were often not related to the technology itself – but a reluctance to disrupt existing ways of working. COVID-19 has laid bare that governments as well as private sector must adapt to the “new normal.”

### **Adopt and expedite paper-less trade**

At this time, when it is incumbent upon everyone to reduce face-to-face interactions to halt the spread of the pandemic, technology and automated systems should be leveraged. Electronic National Single Windows (NSW), already under development in Nepal and Bangladesh with the support of the World Bank, will help facilitate trade by allowing importers and exporters to file all import, export and transit information via a single electronic gateway and reduce face-to-face interactions.

Nepal and Bangladesh can benefit from optimizing the functionality of ASYCUDA World (Automated System for Customs Data), a computerized system to manage cross-border shipments, to introduce available modules for paper-free processing and customs clearance. Bhutan can upgrade the semi-automated and paper-based Automated Customs System (BACS) to a web-based system.

Customs authorities in India can extend the implementation of the faceless assessment program to the border crossing points with Nepal and Bangladesh and reorganize staff

to reduce face-to-face interactions between officials and traders.

### **Identify legitimate freight and facilitate its entry**

Nepal and Bangladesh can consider developing an automated risk management system (ARMS) to identify high-risk shipments for careful scrutiny and low-risk shipments to facilitate trade by allowing them to flow through the

border without any impediments. In the absence of an effective risk management system, a high percentage of legitimate freight is unnecessarily subjected to physical interactions, creating long dwell times and congestion at the border, and, as a result, impedes the flow of critical goods. The facilitation of legitimate shipments is integral to trade facilitation, a standard of the most developed nations.

### **Enhance border agency cooperation**

During times of a significant critical event such as COVID-19, borders have a propensity to harden as countries reassess their ability to satisfy their own critical needs before allowing the export of goods. During these trade pauses, all trading nations that rely on each other are greatly impacted. Therefore, it is essential to increase regional cooperation between customs, land border authorities and other regulatory agencies.

The COVID-19 pandemic presents an important opportunity for BBIN countries to automate and improve critical infrastructure and border management processes. Streamlined trade practices between these four countries are essential for national security and economic stability. Enhanced trade facilitation will lead to stronger economies and border management practices that are agile, resilient, and adept enough to respond when the next crisis strikes.

*World Bank Group*



## Member Personalities

### Dr. Hans Wijayasuriya Re-Elected as Chairman of The Ceylon Chamber of Commerce



The Ceylon Chamber of Commerce re-elected Dr. Hans Wijayasuriya as its Chairperson during the Chamber's 181st Annual General Meeting on

June 25.

Dr. Hans Wijayasuriya currently heads the Telecommunications Business of the Axiata Group Bhd, having been appointed as the CEO of Telecommunications Business and Group Executive Vice President in January 2020.

Mr. Vish Govindasamy, Group

Managing Director of Sunshine Holdings, and Mr. Duminda Hulangamuwa, Senior Partner and Head of Tax at Ernst & Young, were re-appointed as Vice Chairperson and Deputy Vice Chairperson respectively.

Further to the office bearers above, the following were re-elected to the Board of The Ceylon Chamber: Mr. Krishan Balendra, Chairperson, John Keells Holdings PLC; Mr. Husein Esufally, Chairperson, Hemas Holdings PLC; Mr. Pravir Samarasinghe, Director/ Group CEP, Overseas Realty (Ceylon) Ltd.; Ms. Shiromal Cooray, Chairperson and Managing Director, Jetwing Travels Ltd; Mr. Asoka Peiris, Managing Director of Cargills Food Company Ltd; and Mr. Manjula de Silva, Secretary General and CEO of The Ceylon Chamber of Commerce.

### CACCI Lifetime Special Member Md. Salauddin Yousuf Appointed Director of Bangladesh Employee Federation



Mr. Md. Salauddin Yousuf, a CACCI Lifetime Special Member, has been appointed as Director of the Bangladesh Employee Federation. The appointment was made official during the Federation's 22nd Annual General Meeting held on July 29, 2020.

As a young business leader with extensive and wide-range experience, Mr. Yousuf holds key positions in several organizations. He is Board of Director of Lub-rref (Bangladesh) Limited, Companygonj Agro Industries Limited, Wahed Tube and Metal Printing Industries Limited, and Companygonj Eco Resort Limited. He is a designated member of various business associations, including the Chattogram Chamber of Commerce & Industry, Dhaka Chamber of Commerce & Industry (DCCI), The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI), Metropolitan Chambers of Commerce and Industry (MCCI), Bangladesh Chambers of Commerce and Industry (BCCI) and India-Bangladesh Chambers of Commerce and Industry (IBCCI).

Mr. Yousuf is also Lifetime Special Member of Rotary International and Junior Chamber International (JCI). Since he became a CACCI Lifetime Special Member in 2015, Mr. Yousuf has been active in participating in presidential visits, annual conferences and other CACCI's activities.

### Mr. Maher Alam Khan is new FPCCI Acting Secretary General, CACCI Budget Commission Member

Mr. Maher Alam Khan has been appointed the new Acting Secretary General of the Federation of Pakistan Chamber of Commerce and Industry (FPCCI), as well as the new CACCI Budget Commission Member representing FPCCI. He takes over the position from his predecessor, Dr. Iqbal Thaheem.

With 30 years' experience of serving FPCCI, Mr. Khan has successfully handled various international projects related to different regional and international trade bodies. Among those he has worked with are SAARC-CCI, the Economic Cooperation Organization Chamber of Commerce and Industry (ECO-CCI), Developing-8 Chambers of Commerce and Industry (D-8 CCI), India-Pakistan CCI, Pakistan-Afghanistan CCI, the Islamic Chamber of Commerce, the Commonwealth Enterprises and



Investment Council, the Shanghai Cooperation Organization Business Council, and of course, CACCI.

He initiated FPCCI's first ever "FPCCI Achievement Award" in order to give recognition to the individuals and organizations who performed outstandingly in Pakistan, and also organized "Made in Pakistan/ Solo Exhibitions" in different countries successfully.

Mr. Khan obtained his Bachelor of Arts (B.A) and Bachelor of Law (LL.B.) from University of Karachi.



## Special Features

### East Asia's New Edge

*By Kishore Mahbubani, distinguished fellow at the Asia Research Institute, National University of Singapore*

Death tolls don't lie. The most striking disparity in COVID-19 fatalities to date is between East Asian countries, where the total number of deaths per million inhabitants is consistently below ten, and much of the West, where the numbers are in the hundreds. For example, Japan has so far reported 7.8 deaths per million, followed by South Korea (5.8), Singapore (4.6), China (3.2), and, most remarkably of all, Vietnam, with zero deaths. By contrast, Belgium now has 846 confirmed deaths per million, and the United Kingdom has 669, followed by Spain (608), Italy (580), and the United States (429).

From Latin America's lost decade in the 1980s to the more recent Greek crisis, there are plenty of painful reminders of what happens when countries cannot service their debts. A global debt crisis today would likely push millions of people into unemployment and fuel instability and violence around the world.

What accounts for this extraordinary difference? The answers are complicated, but three possible explanations stand out. First, none of the East Asian states believe that they have "arrived," much less achieved the "end of history" at which they regard their societies as being the apotheosis of human possibility. Second, East Asian countries have long invested in strengthening government institutions instead of trying to weaken them, and this is now paying off. And, third, China's spectacular rise is presenting its regional neighbors with opportunities as well as challenges.

It's always dangerous to oversimplify. Yet, the evidence shows



*Photo: Asia News*

that whereas Europeans tend to believe in state-sponsored social security, East Asians still believe that life is composed of struggle and sacrifice. French President Emmanuel Macron is battling to overhaul his country's pension system and decrease retirement benefits in order to achieve much-needed reductions in budget deficits. As a result, France was convulsed for months by "Yellow Vest" protests. But when South Korea faced a far more serious financial crisis in 1997-98, old ladies donated jewelry to the central bank in an effort to help.

East Asians are aware that their societies have done well in recent decades. But constant adaptation and adjustment to a rapidly changing world is still the norm – even in Japan – and huge investments in public institutions have helped these countries to fulfill it.

Here, the contrast with the US could not be starker. Ever since President Ronald Reagan famously declared in his 1981 inaugural address that, "government is not the solution to our problem, government is the problem," the very phrase "good governance" has been an oxymoron in America. We have again seen the consequences of this mindset in recent weeks, with the

weakening even of globally respected institutions such as the US Federal Aviation Administration, the US Food and Drug Administration, and the US Centers for Disease Control and Prevention. Even today, with America beset by multiple crises, no prominent US leader dares to say the obvious: "Government is the solution."

East Asian societies, on the other hand, retain a strong and deeply-held belief in good governance, reflecting the traditional Asian respect for institutions of authority. Vietnam's spectacularly effective pandemic response, for example, can be attributed not only to one of the world's most disciplined governments, but also to wise investments in health care. Between 2000 and 2016, per capita public-health expenditures increased by an average of 9% per year. This enabled Vietnam to establish a national public-health emergency operations center and surveillance system in the wake of the 2002-03 SARS epidemic.

Vietnam's track record is all the more astonishing given the country's low starting point. When the Cold War ended three decades ago, and Vietnam finally stopped fighting wars after almost 45 years of near-continual conflict, it had one of the world's poorest populations. But by emulating China's economic model and opening up to foreign trade and investment, Vietnam subsequently became one of the world's fastest-growing economies.

As then-World Bank President Jim Yong Kim pointed out in 2016, Vietnam's average annual growth rate of nearly 7% over the previous 25 years had enabled the country "to leapfrog



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to middle-income status in a single generation.” And during the same period, Kim noted, Vietnam had managed the “especially remarkable achievement” of reducing extreme poverty from 50% to just 3%.

The country’s success did not happen in isolation. After the Soviet Union collapsed, Vietnam integrated itself into many of East Asia’s existing regional bodies, including the Association of Southeast Asian Nations (ASEAN) and the Asia-Pacific Economic Cooperation (APEC). There, it learned quickly from its neighbors, including China. More recently, Vietnam joined

the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, an 11-country trade pact.

China’s spectacular resurgence has naturally heightened Vietnamese insecurity, given that the two neighbors have fought as recently as 1979. But rather than paralyzing Vietnamese policymakers, that insecurity has fostered a sense of strategic discipline and vigilance, which has contributed to the country’s extraordinary performance during the pandemic. China’s rise has had a similar galvanizing effect on some of its other neighbors, including Japan and South Korea.

Singaporean Prime Minister Lee Hsien Loong has often cited the former Intel CEO Andy Grove’s mantra that “only the paranoid survive.” Paranoia is usually a negative emotion, but it can also trigger a powerful impulse to fight and survive. A deep determination to battle against great odds may explain why East Asia has so far responded far better to the pandemic than most of the West. And if the region’s economies also recover faster, they may well offer a glimmer of hope to a world currently drowning in pessimism.

*Project Syndicate*

## Governments Need Private Capital for Economic Recovery and Future Disaster Protection

*By Jonathan Clark and Ruth Lux, Guy Carpenter*

It is a government’s responsibility to prepare for risks that may threaten national security and social stability, and as government entities take steps to understand and manage those risks, they are turning to the reinsurance market to find ways to improve their financial resilience.

The risk landscape for public sector entities is changing faster than ever before, with extreme weather, mass migration and unfunded social liabilities set to dominate government agendas for decades to come.

For the moment, however, pandemics are at the forefront of everyone’s thinking, given the tragic consequences unfolding today around COVID-19. Who could have predicted that three months into 2020, going to the movies, taking a cruise or even scheduling elective surgery would be all but impossible due to government-imposed quarantines and business closures?

### The Need for Governments

Guy Carpenter’s recent report, *Protecting Our Planet and the Public Purse*, points out that there are steps governments can take to narrow protection gaps and mitigate some of the risks and potential losses our communities face, whether they relate to pandemics or extreme weather events. The report highlights a number of public-private partnerships that have already been brought to market to help alleviate the burden from governments.

Risks such as pandemics and climate change are, by their very nature, massively disruptive, and nations are responsible for an increasing share of the costs as communities

and businesses rely more and more on state disaster relief.

Put simply, insurance penetration is falling behind rising loss trends, and the situation is only going to deteriorate going forward, especially as climate change causes weather events to become more extreme. Governments therefore need to rethink how to fund events that place a strain on public resources when they occur.

### The Reinsurance Market Has Plenty of Capacity

The reinsurance market exists to help risk aggregators — often insurance entities — manage the volatility embedded in their obligations to policyholders when adverse events impact many of their policies at the same time. Think of floods, wildfires, hurricanes and earthquakes as examples.

The reinsurance sector remains well-capitalized, and the level of sophistication and expertise developed over decades of dealing with market-changing events puts it in a strong position to withstand and help manage most conceivable loss scenarios.

Despite a period of unprecedented catastrophe losses over the last three years and recent turbulence in the financial markets, the sector continues to operate in an environment of plentiful capacity and abundant capital.

Indeed, total reinsurance capital increased by \$115 billion, or a third, between 2012 and the end of 2019, to reach \$438 billion, according to Guy Carpenter and AM Best. Although carriers’ capital and earnings have been hit in recent months by declining equity markets, falling interest rates and widening credit spreads due to the COVID-19 crisis, the



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fundamentals of reinsurance remain strong.

### **Public - Private Partnership**

The resilience of the sector is also being reinforced by strong liquidity in the form of capital entering the reinsurance market through a combination of insurance-linked securities (catastrophe bonds), specialist funds, sidecars and the creation of hedge fund-related reinsurance companies and collateralized reinsurance vehicles.

This influx is important, given that it makes up approximately one-fifth of total reinsurance sector capital. In fact, the week of March 16, one of the most volatile in financial markets history, saw a number of catastrophe bond transactions priced and announced. This is a market that remains open and functional.

This bodes well for the future financial resilience of governments. To reduce disaster suffering, public sector entities should take advantage of the reinsurance sector's capital and capabilities to work to create new coverages and meet evolving demands.

At a time when governments worldwide are being forced to bear a growing share of losses and face increasing costs associated with aging populations, higher debt, supply chain interruptions and economic losses resulting from business closures, governments could quantify and mitigate their risks by working closely with reinsurance carriers and intermediaries.

### **Limitations of Traditional Insurance**

COVID-19 has exposed the potentially significant limitations of property and liability insurance to respond to pandemic-related losses. While some specialty policies may cover pandemic claims, most are not equipped to cover events like COVID-19.

On a limited basis, reinsurance will help insurers that issue large amounts of event cancellation policies, which do not typically contain pandemic-related exclusions.

At the same time, existing pandemic coverage options for businesses are rare, and many insurers are expected to exclude most pandemic risk going forward. To facilitate economic recovery now and during future pandemics, it will be important for the public and private sectors to work together to reduce uncertainties across the market and for individual businesses of all sizes.

### **A Federally Backed Pandemic Reinsurance Program**

Following the tragic events of September 11, 2001,



*Photo: Spencer Platt / Getty Images*

the U.S. government stepped in to create a backstop through the Terrorism Risk Reinsurance Act (TRIA). A public-private partnership to establish a federally backed pandemic reinsurance program can offer similar benefits.

A pandemic insurance facility is especially critical, as private insurers simply do not have the financial resources to underwrite the unprecedented losses related to the COVID-19 pandemic on

their own.

The first half of 2020 has illustrated the potential harm that a serious infectious disease event can inflict on people, businesses, governments and economies — and the limitations of the commercial insurance market in delivering protection from that harm. While the insurance industry has a vital role to play in developing new solutions to outbreaks, epidemics and pandemics, it is clear that effective public-private partnerships are more valuable than ever.

Insurers and reinsurers are committed to being there for clients, helping to manage current impacts and advocating for solutions to help mitigate future risks for the entire U.S. economy.

Working toward sustainable resilience requires both meaningful investment and cultural change. Too often, governments have simply relied on debt and post-event financing from tax payers to address the negative impact from extreme events. Progress involves finding new ways to share responsibility across national and local government entities, public and private sectors, and asset owners and users.

Ultimately, a public-private pandemic risk solution — with participation by insurers, reinsurers, businesses and the federal government — is our best option for enabling a smooth and quick economic recovery and protection from future events.

*Brink News*



## Product & Service Councils

### Asian Council on Food and Agriculture

#### Taiwan Food Service Industry Embraces Vegetarianism



*A vegetarian buffet in Taiwan  
(suzagord / Happy Cow)*

As interest in vegetarian lifestyles surges globally due to environmental, moral, religious and health-related reasons, Taiwan's food service industry is adapting quickly, with new establishments joining traditional religious eateries in offering plant-based menus.

According to a report released in 2019, an estimated 3.3 million people in Taiwan maintain a vegan or vegetarian diet. The prevalence of such preferences stems mainly from Buddhism, which encourages followers to refrain from eating animals out of respect for all living creatures, as well as easy access to meat substitutes such as tofu and tempeh.

The burgeoning ranks of flexitarian, vegan and vegetarian customers comprise an attractive market opportunity for restaurateurs. Chefs up and down the country are now taking on the challenge of transforming common staples into meat-free variants to gain a slice of this potential-laden

Vegetarians in Taiwan can find food suitable for any occasion at dining locations ranging from hole-in-the-wall eateries to lavish buffets and Michelin restaurants. Together, these establishments offer dishes in many different styles and at price points to suit

all budgets.

One of the country's best-known vegetarian restaurants is Taipei-based Sichuan-cuisine specialist Serenity, which was awarded Bib Gourmand status in the Michelin Guide's 2018 and 2019 editions for its tasty offerings at reasonable prices. Established in 2005, Serenity's signature dishes include bean sprouts in truffle pate, deep fried king oyster mushrooms, steamed stinky tofu and vegetarian gong bao chicken—a stir-fried dish made with peanuts, soya cubes and vegetables flavored with chili and Sichuan pepper.

The restaurant also offers dozens of options as appetizers, cold dishes, soups and entrees made with mushrooms, vegetables and varieties of bean curd. Dishes are seasonal, with new items featuring updated ingredients appearing throughout the year.

The recent introduction of next-generation meat substitutes by leading U.S.-based producers Beyond Meat and Impossible Foods has also encouraged Taipei-based Feasttogether Corp., which owns six restaurant brands, to open a chain to tap into the growing vegetarian market. Fruitful Food offers consumers a meat-free option that stands apart from traditional buffets filled with fat, salt and sugar.

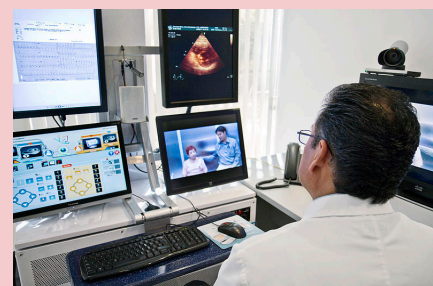
By buying directly from local farmers, Fruitful Food also aims to popularize farm-to-table eating and promote low-carbon diets. Such is the demand for vegetarian options that the chain has opened a further three outlets in northern and southern Taiwan over the last two years, with each seating around 300 people.

Once seen as something people only chose for religious reasons, vegetarianism is becoming more and more common, especially among younger generations, who are making the switch to live healthier and more eco-friendly lifestyles. As the numbers willing to try plant-based diets rise, Taiwan's restaurants are sure to continue adapting and innovating to stay ahead of the curve.

*Taiwan Today*

### Asian Council on Health and Education

#### Pandemic Bolsters Case for Telemedicine Across the Asia-Pacific Region



*Photo: Intel Free Press / Flickr*

Overstretched health services and social-distancing measures to combat COVID-19 are giving a boost to telemedicine across Asia, a phenomenon likely to continue even after the pandemic has been controlled.

Economies as diverse as South Korea's, with its world-class technology sector, and India's, with low health-care costs and a deep pool of doctors, are exploring digital health possibilities at a time when patients may hesitate to visit clinics for fear of the coronavirus.

The potential is tremendous: Asia-Pacific's telemedicine market is expected to grow from \$8.5 billion this year to \$22.5 billion by 2025, according to a report from Market Data Forecast. While it's mostly a domestic phenomenon for now — regulations in many countries make it difficult to consult a doctor abroad — growing acceptance of remote consultations is improving the availability of health care for underserved communities across Asia.

"The benefits to the patient are threefold: better access, cost and outcomes," said Vikram Kapur, a partner at Bain & Co. in Singapore and head of the firm's health care practice in Asia-Pacific. "A telemedicine-enabled system can better triage and steer care through the journey than a disjointed health-care ecosystem."



In Japan, inquiries about online care have increased 15-fold since the pandemic began, Nikkei reported in May. MyDoc, a telemedicine platform headquartered in Singapore, saw active daily users rise by 60% in February and then double in March, according to a Bain report, while digital health platforms in Indonesia and Australia also have seen activity surge.

Already on the rise even before COVID-19, telemedicine use has dramatically accelerated as social distancing has become the new norm. Daily use metrics on telemedicine platforms showed year-on-year growth of more than 150% in the first quarter, Kapur said.

While telemedicine is still banned in South Korea — critics cite the potential for data breaches and misdiagnoses — the country was conducting pilot programs before the pandemic for groups with limited health care access, such as island residents and frontline soldiers. The government temporarily approved online consultations for ordinary patients at the height of the country's virus outbreak in February.

With a burgeoning biotechnology industry led by Samsung Biologics Co., Celltrion Inc. and Seegene Inc., telemedicine fits South Korea's push toward an economy involving less direct human interaction.

Telemedicine can be a boon for countries like India, where a medical tourism industry that had been expected to reach \$9 billion this year has ground to a halt. With hospital services now mostly devoted to COVID-19, telemedicine is helping many Indians access health care and sustain a sector that contributes 10 percent of gross domestic product.

Countries with relatively poor access to health care, such as Indonesia, could find particular value in telemedicine, Bain's Kapur said. So could countries whose digital ecosystems are more mature: data from China suggest telemedicine usage has remained elevated even as physical clinics reopen.

*Bloomberg*

### The Shape of Post-Pandemic University Education



*Photo: Kyodo*

How will the pandemic affect universities? How will they metamorphose as they go through the COVID-19 period and then the time after it's over?

The COVID-19 period here is defined as the time before vaccines and drugs are developed to combat the new coronavirus. This is the time when the "new normal" of wearing masks, washing hands and maintaining social distances are required to avoid infection in the "Three Cs" environment: closed spaces with poor ventilation, crowded and close-contact settings. In the period that follows, COVID-19 will become an ordinary infectious disease that can be combated by vaccines and drugs, like influenza.

As Japan cautiously tries to return to normalcy, universities are now exploring how to normalize their education. In the latter half of the school year, APU plans to hold hybrid classes, with students attending classes on campus when possible, and online classes being provided for students who cannot come to campus or when otherwise appropriate.

Universities have no other choice but to try hybrid teaching since there is no telling when the second wave of coronavirus infections will hit.

As such, several issues must be considered: 1) What kind of face-to-face classes are possible while maintaining social distancing under the terms of the new normal; 2) Where to draw a line between online classes (typically large

classes with the priority of imparting knowledge to students) and face-to-face classes (typically a seminar in which the teacher and a small group of students discuss specific topics); and 3) To what extent will technology be able to help provide equal educational opportunities for students participating remotely in a class that other students are attending in-person.

During the COVID-19 period, the quality of hybrid teaching will hold the key to the competitiveness of universities.

What will universities be like in the post-COVID-19 period? It is unthinkable that they will completely go back to the old normal because it's human nature to not let go of things that are found to be convenient. Some of the teachers who become accustomed to the convenience of teaching online from home may not want to return to face-to-face classes.

If teaching moves online, students will be able to compare class options. Students may in fact be happier if videos of classes taught by popular instructors known for their teaching virtuosity are distributed online — like some prep schools have been doing. In this sense, pursuing an "online" university may result in axing large numbers of teachers and getting rid of big university campuses.

Minerva Schools at KGI, touted as a model for 21st century universities, attaches importance to the idea of peer learning. Most people are lazy so it is fairly hard for them to study by themselves. In general, students can learn only when they mingle with each other and with teachers.

Students deepen their studies through total immersion in campus life, including extracurricular activities. Therefore, there won't be any problems even if classes, which make up only one part of campus life, are replaced by online teaching. Teachers can use the time spared by online teaching to provide guidance and to advise students on their various needs.

*Japan Times*

## Product & Service Councils

### Asian Council on Tourism

#### Pandemic Spurs Japan Travel Companies to Roll Out Online Tours



Online travel is experiencing a boom in Japan, where the novel coronavirus is spreading at an alarming pace, with some tour products allowing participants to view countryside scenery and interact with local people, and others offering virtual travel experiences and local specialties.

Travel companies are trying to meet growing needs from consumers who are refraining from long-distance

trips amid the pandemic but want to feel like they are making trips while staying at home.

Hankyu Travel International Co. sells an online tour featuring sightseeing spots in Chiba Prefecture. When an image of Kameiwa Cave in the city of Kimitsu is shown on screen, the voice of a guide says: "In the stream are Japanese rice fish, and the leaves on the trees are green and beautiful. The scenery looks cool."

The tour is gaining popularity, with one participant saying, "I felt as if I was actually in the place, so it was fun."

Leading travel agency JTB Corp. offers an online tour to Hachijojima, a remote island in Tokyo, in which participants can cook local dishes with the okami female manager of a minshuku guesthouse.

Japan Airlines, meanwhile, has organized an event allowing participants to enjoy the scenery of the island town of Ama, Shimane Prefecture, and interactions with local residents.

Some tour products are designed to support local businesses

struggling with a plunge in the number of tourists due to the coronavirus crisis.

Tokyo-based Autabi sells online travel packaged with local specialties. The firm created the tour products "to support farmers and sake brewers hit by decreases in shipments of their products to hotels and ryokan (Japanese-style inns)" amid the epidemic, its head, Masahiro Karasawa, said.

Autabi started the virtual tours in April, attracting more than 1,000 participants in total. It also has many repeat customers.

Prices of online tours generally start at less than ¥3,000. Many products allow participation by a small number of people so that every one of them can have interactive experiences.

Online travel is good for people who find actual traveling difficult due to time constraints or in terms of physical strength, according to a Hankyu Travel official. Autabi's Karasawa says that even after the coronavirus epidemic subsides, online travel is expected to continue attracting demand, said.

*Jiji Press*

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

#### Taipower Building Asia's first 'Virtual Power Plant'

Taiwan's state-run Taiwan Power Co is building Asia's first "virtual power plant," which would be capable of producing 15 megawatts of electricity per second, the company said on July 17. The project is expected to come online partially as early as the end of this year.

A virtual power plant is a network of decentralized units that can aggregate and distribute power as supply and demand fluctuate. Virtual power plants already operate in the US, Europe and Australia.

Virtual power plants create power by storing excess production from solar and wind plants and distributing it

when needed, Taipower manager Chang Ting-shu said.

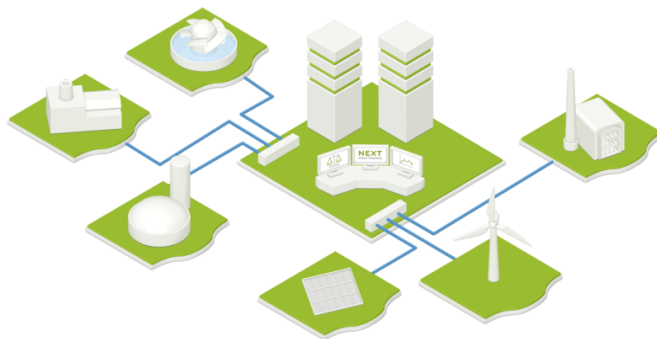
The output of solar and wind farms depends on environmental factors rather than demand, and the issue is growing in significance as Taiwan aims to increase the percentage of green power it uses to 20% by 2025.

Through a competitive bidding process, Taipower has distributed

the project among five Taiwanese companies, which would use batteries from Tesla Inc and Samsung Electronics Co as well as Taiwan's E-One Moli Energy Corp.

The contractors would combine the batteries with automatic frequency control equipment to create systems that would connect to Taipower's electricity grid to create the virtual power plant.

*Taipei Times*



*Illustration of a virtual power plant ([NextKraftwerke/Wikimedia Commons](#))*



## Product & Service Councils

### Japanese Automakers Eye E-fuel as Alternative to EVs

As the world shifts to more environmentally friendly ways to power cars and trucks, electric vehicles and fuel cell vehicles have grabbed much of the spotlight. But perhaps another type of fuel should be added to that list as a green alternative to gasoline: e-fuel.

E-fuel is a liquid fuel made from water and carbon dioxide in a process powered by renewable energy. Hydrogen, produced via water electrolysis using renewable energy such as solar power, reacts with carbon dioxide using innovative technologies to make e-fuel. The use of renewable power and capturing carbon dioxide from the atmosphere makes it a carbon-neutral fuel when it is burned, producing no net greenhouse gas emissions.

Europe has been looking at carbon neutral e-fuel and plans to have it play a crucial role in many modes of transport, as it works toward a goal of carbon neutrality by 2050.

Japanese automakers have also been conducting basic research on e-fuel as a possible major green alternative to EVs as Europe is set to introduce tougher vehicle emissions standards in 2030, industry sources say.

Because the energy density is much higher than that of the rechargeable batteries used in EVs, sustainable e-fuel can improve the range of cars, planes, ships and trains. It could also play an integral role in Japan's goal of becoming a "hydrogen society."

It can be transported safely over long distances and kept in storage for an extended period of time. Unlike biofuel, e-fuel does not compete with the food chain and can be industrially produced in large quantities.

Electric has been pushed for all means of transport globally in recent years, but there is a growing consensus that e-fuel will be indispensable when it comes to bigger transportation modes such as airplanes, ships and heavy-duty trucks due to the massive weight and size of the batteries that would be



Photo: Bloomberg

required.

Fuel cell vehicles are also eyed for heavy-duty trucks as hydrogen tanks can be filled in minutes and more cargo capacity is available. But the limited fuel station infrastructure remains a big obstacle.

A trade ministry panel said in

a report in June last year that it would be desirable for Japanese oil refiners to conduct research and development on e-fuel at home and abroad as part of efforts to decarbonize.

But due to land constraints and a high cost of renewable energy, large-scale production of cheap e-fuel or its feedstock hydrogen via renewable power in Japan is seen as difficult. For the introduction of vast amounts of e-fuel, Japan would likely have to rely on imports from big projects overseas that harness solar power from desert climates, for example, industry sources say.

E-fuel will likely be mixed with gasoline or diesel initially due to the limited production capacity, they added.

*Japan Times*

### CACCI Women Entrepreneurs Council

#### Thai Wine Sisters take aim at Booze Monopoly

Sisters Mimi and Nikki have battled Thailand's tropical climate, chased off elephants from their vineyards and won over a skeptical public to their award-winning wine. Now they're taking on the "unfair" booze laws critics say benefit the kingdom's billionaire booze monopolies.

Rows of Syrah, Voignier and Chenin Blanc grapes stretch across the 40-acre GranMonte Estate in the foothills of Khao Yai National Park. The elevated terrain, three hours outside of Bangkok, provides unexpectedly fertile ground for grapes and an escape from city life, complete with a rust-colored guesthouse that could be pulled straight from a Tuscany tourism advert.

As they snap selfies in between the vines, visitors run into Nikki Lohitnavy, 33, who studied oenology in Australia and now steers the science behind each bottle. She painstakingly experiments with grape varieties to see how they respond to the climate



— it takes at least six years to see if a decent wine will emerge from the ground.

The plot of land was once a cornfield, but their father Visooth transformed the terrain into trellised vines and as a teenager Nikki joined him in the fields. Younger sister Mimi was not interested in the viticulture, but today heads the label's marketing, calling it her "mission to put Thai wine into the market."

The kingdom's wine remains an outlier — grapes grown in warmer temperatures tend to produce tannic wines, something that seasoned drinkers eschew. But after more than two decades in business, GranMonte is gaining recognition especially for its progress in tropical viticulture. "Winemakers around the world want to know what we do here because the climate is changing so they



## Product & Service Councils



*Photo: Mimi, left, and Nikki Lohitnavy (AFP)*

have to adapt to warmer temperatures and higher rainfall in their regions too," Nikki said.

Despite the gains, the long-term future of the GranMonte wines is clouded by the kingdom's heavily restrictive booze laws.

A web of rules, including high import taxes on alcohol, hefty fines for breaches and a licensing culture where bars require friends at local police stations, can make drinking a complicated business.

The 2008 Alcoholic Beverage Control Act also forbids the display of booze logos on their products, as well as any advertising that could "directly or indirectly appeal to people to drink."

It's aimed at controlling consumption, but in effect clips the wings of small producers who do not possess the same reach to customers as established brands.

Critics say it has always been unevenly enforced, allowing booze giants to cement their brand recognition, spraying their logos via non-alcoholic drinks like soda water on giant billboards and public transport.

The market leader — Thai Beverage — makes the ubiquitous Chang lager. The firm is owned by the Sirivadhanabhakdi family, the kingdom's third richest family with \$10.5 billion in wealth according to Forbes, and their portfolio includes massive downtown Bangkok real estate projects and hotels.

Together with Boon Rawd Brewery — which produces Singha and Leo — the duopoly is unrivaled in reach and capital.

Thailand's booze laws are uncharacteristically responsive to

changes in drinking culture.

Online alcohol sales — which surged during the pandemic lockdown — are now in the regulators' crosshairs, potentially closing down another revenue route for small alcohol producers.

GranMonte lost 30 million baht (\$964,000) in three months during the shutdown — and Mimi says their recovery will be further hampered by new rules slated to ban all online booze sales.

The sisters have teamed up with dozens of small-scale craft brewers, importers and bars to petition the government to axe the advertising law, and to halt the impending online booze sales ban.

"People cannot live like this," said brewer Supapong Pruenglampoo,

who hid his Sandport Brewing Facebook page from public view in fear of a crackdown.

"In these COVID times, (the fines) are impossible to pay," he said. But in an unequal kingdom, any efforts to change the monopoly culture are bruising.

It's "a reflection of how Thailand operates," says Mimi. "The lawmaking, the enforcement and everything surrounding it is to benefit the small group of people holding most of the wealth in Thailand," she said.

As Nikki tastes their recent batch of Syrah grapes kept in imported barrels, she says the challenges to start were numerous. Now, they are working to stay on top. "It's our passion — we like it so we do it," she says.

*Bloomberg*

## Investment & Joint Ventures in the Region

### Google to Invest \$10 Billion in India over five to seven years



*Alphabet CEO Sundar Pichai (Maurizio Pesce/Flickr)*

Alphabet Inc.'s Google said it would spend around \$10 billion (¥1.07 trillion) in India over the next five to seven years through equity investments and tie-ups.

The investments will be done through a so-called digitization fund, highlighting Google's focus on the rapid pace of growth of apps and software platforms in India — one of the world's biggest internet services markets.

The new investment is the largest Google has made in the country, according to Alphabet CEO Sundar

Pichai.

Google wants to bolster the growth of the internet in India, which currently has over 500 million active users, and help get another 500 million people online. Beyond investments via the fund, Pichai said Google would also focus on areas like artificial intelligence and education in the country.

Google has already made some direct and indirect investments in Indian startups, such as local delivery app Dunzo.

The investments come as Google battles rivals like Facebook and Amazon in the vast market of 1.3 billion consumers.

Foreign firms have spent tens of billions of dollars in India in recent years as they fight for a piece of the Asian giant's burgeoning digital economy. This year alone that has included around \$16 billion in investments by Facebook, Intel and others in stakes in the digital services unit of Jio, controlled by Mukesh Ambani — Asia's richest man.

*Reuters/AFP*



## Investment & Joint Ventures in the Region

### Wistron, Microsoft to collaborate

Wistron Group has announced a strategic partnership with Microsoft Corp Taiwan's artificial intelligence research and development center, whereby the two firms would create an office in Kaohsiung for artificial intelligence and big data-related products and services.

Wistron will also invest NT\$50 million (US\$1.69 million) over the next two years to develop new talent in the area, Wistron Corp. vice chairman Robert Huang told a news conference in Taipei.

The office is part of the contract electronics manufacturer's "digital transformation" from an original design manufacturer into a technology service provider, Huang said.

"Big data is not just for big business ... it is the company's mission to help all businesses embrace digital



*From left, WiAdvance president Michael Hsia, Wistron Vice Chairman Robert Huang, Microsoft Corp Taiwan AI Research and Development Center Chief Executive Michael Chang, and Wistron chief Software Strategist Charlie Chen (CNA)*

technology." He added that the Kaohsiung office will have a strong emphasis on the cultivation of talent, as "we are growing people, not factories."

Artificial intelligence technologies are being developed for many different industries, and Wistron, in conjunction with Microsoft, plans to use its resources, as well its subsidiary

WiAdvance Technology Co's expertise in corporate digital transformation and smart manufacturing, to address various challenges facing local industries.

Tragedies such as the fire that killed six people at a karaoke parlor in Taipei in April could be avoided if inspectors could continually monitor firefighting equipment online, WiAdvance senior technology director Raymond Fan said. Smart technology could also assist with disease prevention efforts by tracking individual's movements and body temperature without compromising their privacy.

As an example, Wistron has provided En Chu Kong Hospital in New Taipei City's Sanxia District with a smart healthcare system incorporating remote capabilities.

The system allows medical instructions to be passed to patients and doctors to inspect how wounds are healing remotely, the company said.

*Taipei Times*

### NEC and JTB tie up to offer Empty Hotel Rooms to Teleworkers

NEC Corp. and travel agency JTB Corp. are launching a new service allowing teleworkers to book empty hotel rooms for use as remote offices, repurposing the spaces left vacant due to the coronavirus' impact on hotel occupancy rates.

The service offered by NEC Solution Innovators Ltd. and JTB will be launched on Aug. 31 in Tokyo and surrounding areas, with a plan to expand it to Nagoya and Osaka by around March next year and nationwide by March 2022.

The two firms hope to have 30 hotels participating in the initiative by the end of March next year and 50 by late March 2022 as Japanese companies increasingly encourage staff to work remotely to reduce the risk of them contracting the virus while commuting

on public transport and possibly creating cluster infections at workplaces.

The NEC unit will create and operate an application that will allow people and employers to search and reserve hotel rooms. It will also provide a function that hotel operators can use to register room availability and confirm reservation status.

JTB will pitch the initiative to hotels as a new source of revenue at a time when they have seen their occupancy rates fall due to the lack of travelers. The agency will also promote the service to firms that are looking to secure teleworking space for employees.

Under the system, an employee can reserve a space at a hotel via their



computer or smartphone, with rates starting at ¥200 (\$1.90) per 15 minutes for co-working spaces such as meeting and party rooms and from

¥3,000 for guest rooms with a minimum three-hour occupancy.

Hotels scheduled to offer the service include Hyatt Regency Tokyo in the Shinjuku area, Oakwood Premier Tokyo in the Marunouchi district and Ueno Terminal Hotel.

Amid the pandemic, the government is asking Japanese firms to ensure at least 70% of employees work outside of their office. Remote working has also been encouraged as companies adopt flexible working styles, such as staggered commuting.

*Kyodo*



## Investment & Joint Ventures in the Region

### Japanese retailer Seven & i to acquire US convenience store Speedway for \$21 billion

Japanese retailer Seven & i Holdings Co. has said its U.S. unit 7-Eleven Inc. will acquire Speedway LLC, a convenience store and gas station network, for \$21 billion to expand revenue sources overseas due to a saturated domestic market.

The deal, the fourth-largest acquisition of a foreign company by a Japanese firm, was reached on August 3 between the Seven-Eleven convenience store chain operator and U.S. oil refiner Marathon Petroleum Corp., owner of Speedway.

By purchasing Speedway, which ranks third in terms of store count in the United States, industry leader Seven & i will get a 1.4-fold increase in its number of convenience stores in the country, strengthening its dominance.

As of December 2019, its U.S. subsidiary operated about 9,000 stores and will see about 3,900 outlets run by Ohio-based Speedway added.

Seven & i will acquire Speedway



Photo: Michael Ocampo / Flickr

between January and March next year and expects the acquisition to push up its operating profit in fiscal 2024.

Seven & i sees the United States as a key market with growth potential and the acquisition of Speedway, which operates convenience stores and gas stations in 36 U.S. states, is expected to allow it to diversify its business portfolio.

Seven & i had made an earlier attempt to buy Speedway, but gave up in March after failing to agree on pricing. But Marathon is believed to have decided to sell Speedway to ride out the coronavirus crisis that also hit the oil sector.

*The Mainichi*

### Tuna king Thai Union doubles stake in Russian joint venture

Thai Union Group, the world's biggest seller of canned tuna, has doubled to 90% its stake in an operator of Russian seafood units in a bid to make further inroads in the European market.

The deal converts TUMD Luxembourg into a regular subsidiary. Thai Union first acquired 45% of the joint venture for \$16 million in 2018. The value of the latest transaction has not been disclosed.



Photo: Marimi Kishimoto / Nikkei Asian Review

TUMD is a vehicle that operates three Russian processed seafood concerns that altogether form the DPR group. TUMD's manufacturing and distribution network opens up significant opportunities for additional growth in Europe and emerging markets, Thai Union said.

During the April-June quarter, Thai Union's consolidated sales climbed 3% from a year earlier to 33 billion baht (\$1.05 billion). Net profit multiplied 12 times to 1.7 billion baht, due mainly to the absence of an allowance set aside last year in connection to a settlement for a lawsuit lodged against a U.S. subsidiary.

Thai Union generates 40% of its revenues in the U.S. and 30% in Europe.

*Nikkei Asian Review*

### German Chemicals Giant BASF opens Global Footwear Innovation Center in Taiwan



German chemicals giant BASF opened its first Footwear Innovation Center in the world in Taiwan's Changhua County on August 11.

The facility, a 650-square-meter

area within a factory run by Longterm Concept Industry Corporation (LTC), includes interactive exhibits and design labs as well as a manufacturing zone, the company said in a news release.

Taiwan was chosen as a location due to its long-standing reputation as a footwear manufacturer and the prevalence of design talent, said Andy Postlethwaite, the company's senior vice president of performance materials Asia Pacific.

The center's functions include the faster testing of material innovations and the application of new designs to manufacture brand new products for BASF's partners and clients, the company said.

*Taiwan News*

### Japan and U.K. may forgo Dispute Settlement System in Trade Deal



*Japanese Prime Minister Shinzo Abe with UK Prime Minister Boris Johnson (Kyodo)*

Japan and the U.K. are studying a plan of not including an investor-state dispute settlement (ISDS) system in the bilateral trade deal they are currently negotiating.

Japan had sought the introduction of the system, but is now considering setting it aside in favor of reaching an early accord so the deal can be put into effect in January next year, according to sources.

An ISDS system allows corporations and investors to demand compensation for damage they suffer due to sudden changes in government policy in the countries they have entered to do business.

The system is included in the Trans-Pacific Partnership multilateral free trade pact, to which Japan is a party. Japan also pushed for it to be included in its economic partnership agreement (EPA) with the European Union, but the proposal was rejected by the EU.

Japan and Britain agreed to make their planned trade deal go further than the Japan-EU EPA. However, the clock is running out for negotiations, as they would need to reach a formal agreement by this autumn in order to have the deal in place on Jan. 1 next year, when Britain is slated to complete its transition period out of the EU.

Japanese Foreign Minister Toshimitsu Motegi and British Secretary of State for International Trade Liz Truss

are expected to hold talks in early August to break the deadlock in sensitive areas, such as the scrapping and reduction of tariffs, in an effort to reach a broad agreement.

Britain is also showing strong interest in participating in the TPP. Even if the ISDS system is not included in the Japan-Britain trade deal, it may be the subject of contention if Britain seeks to join the TPP.

Japan had signed investment agreements with 78 economies as of March this year, with the first being a pact with Egypt concluded in 1978. An ISDS system is generally designed for inclusion in treaties with developing countries in which legal systems are inadequate.

*Japan Times*

### US, Australian officials reaffirm Taiwan's role in Indo-Pacific



*L to R: Australian Minister for Defence Linda Reynolds and Minister for Foreign Affairs Marise Payne; U.S. Secretary of State Mike Pompeo, and Secretary of Defense Mark Esper (Twitter)*

American and Australian foreign affairs and defense officials reaffirmed Taiwan's key role in the Indo-Pacific region during an annual meeting. The two sides also expressed support for the island country's participation in international organizations.

In Washington, D.C., on July 28, U.S. Secretary of State Mike Pompeo and Secretary of Defense Mark Esper hosted Australia's Minister for Foreign Affairs Marise Payne and Minister for Defence Linda Reynolds at the 30th Australia-United States Ministerial Consultations

(AUSMIN 2020). After the meeting, the four held a joint press conference, with each leader presenting their conclusions on the impact of the COVID-19, China's exploitation of the pandemic to disrupt world order, and regional stability the Indo-Pacific region — including Beijing's actions in Hong Kong, Taiwan, Xinjiang, and the South China Sea.

In a joint statement issued that day, the secretaries and ministers reiterated "Taiwan's important role in the Indo-Pacific region." They also emphasized their countries' intent to continue unofficial ties with Taiwan and back its membership in international organizations "where statehood is not a prerequisite."

Referring to recent provocative action by the Chinese military in the Taiwan Strait, the officials restated that all cross-strait issues should be resolved in a peaceful manner that reflects the "will of the people on both sides" without the use of "threats or coercion." In recent months, Chinese warplanes have repeatedly intruded into Taiwan's Air Defense Identification Zone (ADIZ), and its submarines have been found lurking off the southern coast of the country.

Lastly, the two countries pledged to increase donor coordination with Taiwan, with a particular emphasis on providing development assistance to Pacific Island nations.

In response to the joint statement, MOFA spokeswoman Joanne Ou on July 29 said the ministry would like to thank the U.S. and Australian governments for publicly expressing their support for Taiwan. Ou said that the statement "highlights the affirmation of the government's active promotion of the 'New Southbound Policy' and the recognition of Taiwan as an indispensable partner in the Indo-Pacific region."

She pointed out that Taiwan is located in an important hub of East Asia and the Western Pacific. Ou said that Taiwan will continue to work with the U.S., Australia, and like-minded countries to jointly promote peace, stability, and prosperity in the Indo-Pacific region.

*Taipei Times*



## Economic Cooperation News

### Australia fast-tracks plan to send solar power to Singapore



Australia has granted "major project status" to an ambitious A\$22 billion (S\$21.7 billion) plan to export power from a giant solar farm in the country's north to Southeast Asia via undersea cable.

The status recognizes the "strategic significance" of the project, which is expected to inject billions of dollars into the economy and create thousands of jobs.

The Australia-ASEAN Power Link envisions connecting the world's largest solar farm and battery system in Australia's Northern Territory to Singapore and Indonesia via a 3,700-kilometer undersea cable. Similar proposals for long-haul, transnational power shipments have been pursued in other regions, including from North Africa to Europe or from Mongolia to Japan and South Korea.

The high-profile boost by the Australian government contrasts with the relatively muted interest from Singapore, which is expected to be its main customer. The city-state's Energy Market Authority acknowledged in November that it had met with the project's developer, Sun Cable Pty Ltd, but has shown little public appetite in the venture.

Sun Cable says the project can supply a fifth of Singapore's power needs, helping to reduce the city-state's reliance on natural gas imports. The project, which is backed by Atlassian co-founder Mike Cannon-Brookes and Fortescue Metals' founder Andrew Forrest, plans to start marine survey work from August. The company is targeting commercial

operations to begin in 2027.

Singapore-based Sun Cable envisions a 10-gigawatt solar farm and energy storage facility of up to 30 GWh in the Northern Territory, with the marine cable link to Singapore and eventually Indonesia.

In a joint statement on Wednesday, Minister for Energy and Emissions Reduction Angus Taylor and Minister for Industry, Science and Technology Karen Andrews said the power link would be one of the world's largest dispatchable renewable electricity systems, supported by the world's largest battery and solar farm in

the Barkly region near Tennant Creek.

Andrews said the project would create 1,500 jobs during construction, 350 ongoing jobs in Australia, as well as indirectly supporting around 12,000 Australian jobs. It will also see the production of a new solar farm manufacturing facility.

With "major project status", Sun Cable will get government support in steering through all national and regional approvals. A year ago, it won major project status from the Northern Territory.

*Straits Times*

### Taiwan, U.S. sign MOU on Health Cooperation

Taiwan and the United States signed their first memorandum of understanding (MOU) on health cooperation on August 10 to expand cooperation on global health security, infectious disease control and vaccine development.

The MOU was signed by Brent Christensen, director of the American Institute in Taiwan (AIT), and Yang Jen-ni, chairwoman of the Taiwan Council for U.S. Affairs (TCUSA).

The AIT is the de facto U.S. embassy in Taiwan due to the absence of formal ties while the TCUSA serves as the headquarters for the Taipei Economic and Cultural Representative Office (TECRO) in the U.S., which is AIT's counterpart.

The signing was witnessed by U.S. Secretary of Health and Human Services (HHS) Alex Azar, who was in Taiwan for a four-day visit, and Taiwan's Health Minister Chen Shih-chung.

Azar said the MOU formalizes the more than two decades of collaboration between the health ministries of both sides, while Chen called it a



*U.S. Secretary of Health and Human Services Alex Azar and Taiwan Minister of Health and Welfare Chen Shih-chung hold up copies of the MOU (CNA)*





## Economic Cooperation News

"breakthrough" in Taiwan-U.S. health and medical cooperation and the "beginning of a new chapter" in Taiwan-U.S. relations.

According to a statement by the Ministry of Health and Welfare, the MOU was the first signed between the two health ministries despite decades of cooperation in public health, particularly in emerging infectious diseases response and dengue vaccine research.

It will lead to greater bilateral cooperation in areas such as global health security, digital health, infectious

disease prevention, and vaccine development, the statement said.

Collaborative efforts under the MOU's framework will be conducted through science and research projects, personnel exchanges, training, consultations, and workshops and conferences.

The AIT said in a statement that the MOU "aims to enhance the health and well-being of people of Taiwan and the United States as well as promote global health security together."

"It will strengthen ongoing

cooperation on global health security, investigation and control of infectious disease, research, prevention and treatment of chronic disease, and the development of drugs and vaccines," the statement said.

Liu Li-ling, an official in the MOHW's Office of International Cooperation, told CNA the MOU signifies the upgrade of Taiwan-U.S. health cooperation to a ministry level.

CNA

### Vietnam courts EU Investment in Medical and Drug Supply Chains

Vietnam seeks to build on its new free trade agreement with the European Union to expand foreign investment in medical equipment and pharmaceuticals, with the government positioning the country as an alternative production base to China.

Vingroup, the country's largest conglomerate, on August 12 announced a partnership with Ireland-based medical device company Medtronic to produce components in Vietnam. The deal accords with Hanoi's push for local manufacturers to expand into medical products as Vietnam's economy reels from the coronavirus pandemic.

Medtronic will buy components made by VinSmart and VinFast Manufacturing and Trading to meet the growing demand for ventilators in the U.S. and Ireland. The first batch of products has been shipped earlier this month, the companies said.

"The transition triggered by COVID-19 is providing an opportunity for Vietnam to export medical equipment, particularly when China is losing credibility among its EU and U.S. partners," Vo Quang Tuyen, former analyst at Pasteur Institute, told an industrial gathering in Binh Duong in



*An employee displays a ventilator at a VinSmart factory near Hanoi (Reuters)*

June.

Vietnam in July laid out a draft plan to develop its domestic health care and medical industry toward 2030 to cater to domestic demands and increase exports. The plan sets targets such as meeting 40% of demand for operating-room equipment, including devices for anesthesia and resuscitation "on the basis of joint production by joint ventures with foreign enterprises."

Vietnam has about 200 companies producing products used in the fight against COVID-19, such as masks, gloves, goggles and other personal protection equipment (PPE). They plan to increase capacity by 40% this year to meet global demand.

Vietnamese manufacturers also must address concerns over quality

controls issues to participate in global supply chain as health care markets in advanced economies are heavily regulated. Teaming up with advanced companies will be a crucial step to meet standards, including those of the U.S. Food and Drug Administration and the CE mark certification of the European Union.

"We see the crucial need to enhance the current standards, quality assurance and certification system to meet the domestic and export demand. Vietnam can turn the COVID-19 challenge into an opportunity of becoming a leading country in manufacturing PPE for the world," said Sitara Syed, a United Nations Development Program in Vietnam representative.

*Nikkei Asian Review*

### Scientists Inspired by 'Star Wars' Create Artificial Skin Able to Feel

Singapore researchers have developed "electronic skin" capable of recreating a sense of touch, an innovation they hope will allow people with prosthetic limbs to detect objects, as well as feel texture, or even temperature and pain.

The device, dubbed ACES, or Asynchronous Coded Electronic Skin, is made up of 100 small sensors and is about 1 sq. cm (0.16 square inch) in size.

Researchers at the National University of Singapore say it can process information faster than the human nervous system, is able to recognise 20 to 30 different textures and can read Braille letters with more than 90% accuracy.

"Humans need to slide to feel texture, but in this case the skin, with just a single touch, is able to detect textures of different roughness," said research team leader Benjamin Tee, adding that AI algorithms let the device learn quickly.



Photo: Reuters

A demonstration showed the device could detect that a squishy stress ball was soft, and determine that a solid plastic ball was hard.

"When you lose your sense of touch, you essentially become numb... and prosthetic users face that problem," said Tee. "So by recreating an artificial version of the skin, for their prosthetic devices, they can hold a hand and feel the warmth and feel that it is soft, how hard are they holding the hand."

Tee said the concept was inspired by a scene from the "Star Wars" movie trilogy in which the character

Luke Skywalker loses his right hand and it is replaced by a robotic one, seemingly able to experience touch sensations again.

The technology is still in the experimental stage, but there had been "tremendous interest", especially from the medical community, Tee added.

Similar patents developed by his team include a transparent skin that can repair itself when torn and a light-emitting material for wearable electronic devices, Tee said.

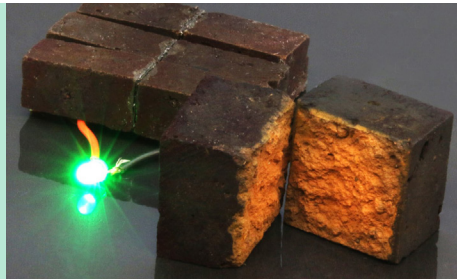
Reuters

### Nanotechnology Turns Bricks into Batteries

The humble house brick has been turned into a battery that can store electricity, raising the possibility that buildings could one day become literal powerhouses.

The new technology exploits the porous nature of fired red bricks by filling the pores with tiny nanofibres of a conducting plastic that can store charge. The first bricks store enough electricity to power small lights. But if their capacity can be increased, they may become a low-cost alternative to the lithium-ion batteries currently used.

Strictly speaking, the power bricks are supercapacitors rather than batteries. Supercapacitors store



electricity as a static charge in solids, rather through chemical reactions as in batteries. The advantage of supercapacitors is that they charge and discharge far faster than batteries, but to date they can only hold a small fraction of the energy.

Researchers around the world are working to increase the energy density of supercapacitors, as well as the charging speed of batteries. Finding better ways to store electricity is a crucial part of fighting the climate crisis, as it

would allow abundant but intermittent renewable energy to be stored until it is needed.

"A solar cell on the roof of your house has to store electricity somewhere and typically we use batteries," said Julio D'Arcy, at Washington University in St. Louis, U.S., who was part of the research team. "What we have done is provide a new 'food-for-thought' option, but we're not there yet."

The energy density of the first power bricks, reported in the journal Nature Communications, is just 1% of that of lithium ion batteries. D'Arcy believes this can be increased tenfold by adding materials such as metal oxides to store more charge in the brick, which would also make the power bricks a commercial proposition.

But the hope is to eventually match the energy density of lithium ion



## Technology

batteries. "If so, this technology is way cheaper than lithium ion batteries," D'Arcy said. "It would be a different world and you would not hear the words 'lithium ion battery' again."

Dan Brett, a professor of electrochemical engineering at University College London, UK, said: "Heat has been the overriding area of interest when considering energy storage within the fabric of buildings. This study shows there is potential to store electrical energy as well. The performance is a long way short of bespoke supercapacitors, but the principle is proven and there is significant scope for improvement."

The researchers created small prototypes of the power bricks using chemical vapours to react with the red iron oxides in the bricks and then to form a network of plastic nanofibres. A special plastic, called Pedot, was used as it is a very good conductor of electricity. The reactions turned the red bricks a dark blue colour.

Another advantage of supercapacitors is that they can be charged and recharged many more times than batteries before losing their ability to store electricity. The power bricks can be cycled 10,000 times before their capacity falls significantly.

The charge stored by the first bricks is too small to give a shock when touched. But a wall of connected bricks would need an insulating coating and the scientists demonstrated this using epoxy resin, which even allowed the bricks to work underwater.

The reactions used to create the power bricks may have a small weakening effect on their structural properties, D'Arcy said, but in any case, bricks were most commonly used today in houses as decorative facades.

*The Guardian*

## Policy Updates

### Bangladesh

#### Government fortifying BIDA to be investment-friendly



Bangladesh Investment  
Development Authority

The Bangladesh government is strengthening the Bangladesh Investment Development Authority (BIDA), which was passed in 2016, to make it more sophisticated and investment-friendly.

Some 13 out of 36 sections of the BIDA Act of 2016 will be amended, with the amendment now in the final stage of approval. Following its passage in parliament, the amendment will empower the BIDA to make quick decisions meant for expanding both local and foreign direct investment (FDI).

BIDA was set up to promote investment in Bangladesh, which accounts for less than 32% of the GDP. It now provides proper guidelines to local and foreign investors to set up industrial plants in the country through a 'one-stop service'.

In 2016, the government formed the agency by merging two separate agencies – the Board of Investment and the Privatisation Commission -- to escalate investment and build the economy.

Under the proposed amendment, the BIDA will have more power to make decisions in terms of attracting both local investment and FDI. The BIDA governing body will be empowered to prepare its own law, rules, regulations and others to make a hassle-free investment in Bangladesh. Its policy-making body will also be able to make decisions and provide both fiscal and non-fiscal incentives to lure investors.

The existing BIDA Act of 2016 restricts individual or sole investment in the government entities, allowing only a partnership investment in state entities and their adjoining unused land. But according to the draft act, individual or sole investment may also be allowed in state-owned entities.

BIDA is governed by the Prime Minister's Office. The Prime Minister serves as its Chairman and president of its governing body, while the Finance Minister acts as the Ex-Officio Vice President.

*The Financial Express*

### Brunei

#### Brunei to introduce mandatory carbon reporting in 2021

Brunei will make it mandatory for industrial greenhouse gas emitters to report their carbon footprint from next year, a move towards combating climate change after the country recorded rising temperatures and the highest number of forest fire incidents in 10 years.

Mandatory carbon reporting is one of 10 strategies outlined in the first Brunei Darussalam National Climate Change Policy (BNCCP) document that was unveiled on July 25.

The government is expected to draft legislation requiring "all facilities and agents that emit and absorb greenhouse gases" to submit their carbon data on a monthly and yearly basis.

Carbon reporting is aimed at promoting transparency of greenhouse gas emissions and helping Brunei transition into a low-carbon nation through better monitoring.

Brunei has one of the highest annual carbon footprint per person in the region at 10 tonnes of carbon dioxide, which needs about 200 trees to





## Policy Updates



offset.

A real-time online system will also be developed for more effective and efficient carbon reporting.

Other strategies to lower greenhouse gas emissions in the policy document include introducing carbon pricing to all industrial facilities and power utilities by 2025, increasing the share of electric vehicles to 60% of total annual vehicle sales and shifting towards renewable energy to at least 30% of total power generation mix by 2035.

*The Scoop*

### Cambodia

#### Cambodian government agrees in principle to waive insurance policy and deposit for incoming travelers



Cambodian Prime Minister Hun Sen has approved in principle to eliminate the \$3,000 deposit, and \$50,000 insurance for investors, business people and experts.

However, the technical working group of the Ministry of Economy and Finance (MEF) and the Ministry of Health will be discussing further to do check and balance to determine whether

the loosening of the measure will impact public health or not.

MEF spokesman Meas Soksensan told Khmer Times that the government will facilitate the procedure for business travelers, including investors, directors, general managers, technical staff and their family members. He said that the government will soon introduce a new procedure for business-linked travelers who are coming to Cambodia.

According to Mr. Soksensan, companies can sponsor or guarantee their owner, director or general manager, staff and family members. "The application to sponsor or guarantee will be done online. Then we will get approval letter with QR Code that company can send to the traveler (s) in advance of the trip," he added.

According to the meeting minutes at the Ministry of Economy of Finance, the current procedure to facilitate for business-linked travelers is that the requirement of \$3,000 deposit, and \$50,000 insurance should be eliminated. However, the requirement of a COVID-19 free health certificate taken within the past 72 hours remain in place.

Upon arrival and following normal immigration procedure, travelers will be guided to get a COVID-19 test, with the result available in about 8 hours.

For the first night accommodation, travelers can stay in a pre-booked hotel. The Ministry of Health will provide a list of assigned hotels that travelers can pre-book before travel to a Cambodia.

A \$160 fee related to swab test and meal and transport to hotel will be included in the hotel's first night fee. If the test is negative, travelers can go to their own self-quarantine place for 14 days. If the result is positive, travelers will be sent for treatment, and the company will pay the total bill.

*Khmer Times*

### Georgia

#### Georgia to entice digital nomads with new visa policy



The nation of Georgia hopes to capitalize on the new normal by welcoming foreign citizens to work remotely from the country.

Pre-pandemic, Georgia was emerging as both a digital nomad hotspot and a growing tourist destination. Georgia's rapid response to the coronavirus crisis has ensured the country has reported only 1000 infections. The Georgian government wants to attract freelancers and the self-employed to live and work there as a way to stimulate the economy and slowly re-open the borders, in a safe and controlled way. Georgia's economy minister Natia Turnava announced last week a new visa policy that would allow foreigners to work remotely from the country.

Turnava stated that: "We're inviting this targeted audience in Georgia and offering them to live in our country. Georgia has an image of a safe country in terms of epidemiological standpoint and we want to use this chance. We're talking about opening the border in a manner which will let us protect the health of our citizens and let every foreign citizen who falls in this category enter Georgia".

Remote workers will be allowed to live and work from Georgia, provided they are staying for six months or longer and can afford to quarantine at their own expense for 14 days on arrival.

The new policy isn't aimed at short-term travelers, but it could be an attractive option for long-term digital nomads who've been looking for a safe haven during the crisis, as the policy won't discriminate against citizens of countries that have been hit hard by COVID-19.

The Georgian government will shortly be releasing more specific details



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and requirements, as well as information on the online platform where remote workers can lodge their applications for the new visa.

*Lonely Planet*

### Hong Kong

#### Hong Kong implements tough restrictions to curb COVID-19

Hong Kong is on the verge of a “large scale” COVID-19 outbreak



that could overwhelm hospitals, as authorities implemented their toughest social distancing measures yet in a new blow for the economy.

From July 29, all residents in the territory of 7.5 million must wear masks when they leave their homes, while restaurants can only serve takeaway meals.

No more than two people from different households can gather in public, with fines of up to HK\$5,000 (US\$645) for those who breach the new emergency rules.

The latest measures pile fresh misery on Hong Kong, which was mired in recession before the pandemic began, due to US-China trade tensions and political unrest last year.

Figures released on July 29 showed that the territory's economy shrank by 9.0% annually in the second quarter — the fourth contraction in a row. As the pandemic took hold in the first quarter, Hong Kong's economy shrank 9.1% annually, the worst fall on record.

The new social distancing rules are a bid to reverse a sudden spike in COVID-19 cases that has upended the territory's battle against the disease.

Some have blamed exemptions from the usual 14-day quarantine that the government granted to “essential personnel,” including cross-boundary truckers, air and sea crews, and some manufacturing executives.

The government has since tightened restrictions for some of those groups.

*AFP*

### India

#### India to promote manufacturing of some products to boost market share

India's government plans to promote the manufacturing of selected products, especially lines in which China



enjoys a big share in the global market, as part of efforts to reduce imports and push exports, a cabinet minister said on August 10.

The government aims to attract foreign investments in pre-identified areas, promote joint ventures, and support local businesses to expand India's share of global markets, Nitin Gadkari, India's minister for MSME (micro, small and medium enterprises), told a virtual conference.

“There is an opportunity for India in sectors where China enjoys a big share in the global market,” he said.

In the last few months, the government has announced production-linked incentives for manufacturing of electronics, medical devices and pharmaceutical products while putting restrictions on imports of Chinese products.

*Reuters*

### Indonesia

#### Indonesia to Resume Migrant Worker Supply to Taiwan, 21 other Countries

The Indonesian government is ready to start sending migrant workers again to 22 countries and regions around the world, after a suspension of nearly four months due to the COVID-19 pandemic.

At a press conference in Jakarta, Indonesian Minister of Manpower Ida Fauziyah said that when the country's export of migrant workers resumes, 88,973 Indonesians will be permitted to work in 22 countries and regions worldwide.

Indonesia has forged agreements with 14 of the 22 countries and regions on the supply of migrant labor, covering issues such the protection of the workers' health amid the COVID-19 pandemic, Ida said. She did not say, however, when exactly the export of labor will resume, nor did she name the participating countries, saying only that the dates will be decided based on the readiness of each of the foreign governments.

Benny Rhamdani, chief of the Agency for the Protection of Indonesian Migrant Workers, said the government will send official notices to the 14 countries and regions with which it has reached agreements on labor supply, which include Taiwan, Australia, Hong Kong, Singapore, Turkey, Zimbabwe, Kuwait, and Nigeria.

*Focus Taiwan*

### Japan

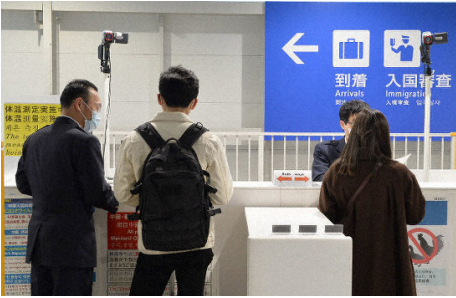
#### Japan to allow back foreign residents who left before entry ban

The Japanese government has begun accepting applications from foreign nationals seeking entry and re-entry to Japan, allowing some workers





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Mainichi/Ryoichi Mochizuki

and international students to come back into the country.

An official from Japan's Foreign Ministry who is overseeing the affairs of non-Japanese confirmed that starting August 5, Japan is set to allow the return of all foreign nationals, including international students and workers, with valid visa statuses who had left Japan before the entry ban was imposed. Foreign nationals regardless of their nationality can seek such permission and will be allowed to enter once they meet entry requirements.

Those eligible for re-entry under the revised policy also include permanent residents, long-term resident visa holders, spouses and children of permanent residents, as well as spouses and children of Japanese nationals or permanent residents.

However, the revision does not cover those who left Japan after the imposition of the entry restrictions or are now planning to leave the country temporarily. According to the Immigration Services Agency (ISA), people considering such a move — regardless of their visa status — will still need permission to re-enter the country under special circumstances deemed as humanitarian grounds, such as a relative's death or a health emergency.

To re-enter, non-Japanese travelers will be required to provide proof that within 72 hours before their flight they have undergone a polymerase chain reaction (PCR) test and must obtain documents confirming their re-entry permission from their local Japanese Embassy.

Other requirements — such as a 14-day observation of one's health

condition prior to their arrival, a PCR test and self-isolation upon arrival, and the use of a government-sponsored tracking app for smartphones — overlap with those for Japanese nationals. From Sept. 1, stricter entry procedures will apply to all residents of Japan.

*Japan Times*

## Korea

### Seoul faces stricter Covid-19 measures as South Korea stands at 'critical juncture'

South Korea tightened coronavirus measures in Seoul and its surrounding areas on August 15, as the country reported the highest number of new daily infections in more than five months.

The stricter social distancing guidelines include restrictions on gatherings and activities including professional sports, which will again be played behind closed doors in the capital area.

The move came as South Korea reported 166 new cases on August 15, the highest daily figure since early March, bringing the country's total infections to 15,039 with 305 deaths.

South Korea stands at a "critical juncture" in the battle to control the surge in coronavirus infections, Prime Minister Chung Sye-kyun said at a government response meeting. "Our top priority is to contain the spread of the virus in the greater Seoul area," he added.

Many of the new cases came from the greater Seoul region - home to half of the country's 51 million people - raising fears about a major spike with a three-day weekend starting in South Korea from Saturday.

South Korea endured one of the worst early Covid-19 outbreaks outside mainland China but brought it broadly under control with extensive tracing and testing, while never imposing the kind of lockdowns ordered in much of Europe

and other parts of the world.

But persistent outbreaks in recent weeks, mostly in the densely populated capital area, are threatening to undo the country's success in battling the pandemic.

The country even started allowing limited numbers of spectators at sports games in July - which was reversed for the greater Seoul region.

*AFP / Reuters*

## Malaysia

### Malaysia to allow foreign labour in only 3 sectors, says deputy minister

Malaysia will limit hiring of foreign labour to three sectors, a deputy minister said on July 29, in what the government said was a move to increase employment opportunities for locals affected by the COVID-19 pandemic.

Authorities have detained hundreds of foreigners and refugees in recent months as strict curbs on movement and businesses to contain the pandemic have also turned public sentiment against migrants.

To reduce the pandemic's impact on local employment without hurting key industries the government will limit foreign labour hiring to the construction, agriculture and plantation sectors, said Human Resources Deputy Minister Awang Hashim.

"Other sectors will be staffed by local workers. This is the guideline we have set for our policy to reduce the number of foreign workers," Awang told parliament.

Malaysia hosts about 2.1 million documented foreign workers. According to the country's statistics department, unemployment rose to 5.3% in May, as businesses were forced to shutter for nearly three months during the coronavirus curbs.

Southeast Asia's third-largest economy grew by 0.7% in the first quarter, hit by the twin effects of the pandemic and plunging global energy





## Policy Updates



CGTN

prices.

Malaysia's central bank expects a tougher second quarter, weighed down by broad weakness in labour markets and precautionary behaviour among households and businesses.

*Reuters*

### Philippines

#### Philippines requires face shields and masks at work, in transport

From August 15, passengers using all modes of public transportation in the Philippines will not be permitted to travel on land, sea, or air, unless they wear both face shields and face masks as protection against the coronavirus disease (COVID-19). This is in accordance with the Department of Transportation (DOTr) Memorandum Circular 2020-014 issued on August 3, 2020.

Labor Secretary Silvestre Bello III said employees will also be required to wear face shields in workplaces beginning August 15.

The use of a face shield and face mask while observing the one-meter social distancing has reduced the risk of contracting COVID-19 to at most 99%, health authorities said. It also helps reduce infection rate by 93%. Hence, the Inter-Agency Task Force for

the Management of Emerging Infectious Diseases (IATF-EID) advocated for the use of face shields on top of face masks, along with observing social distancing as measures to lessen the chances of infection.

"No amount of protection is too much when it comes to health and safety, especially that we are battling an invisible enemy," stressed Transportation Secretary Arthur Tugade.

He urged commuters to view the new requirement as another necessary layer of protection against the infection, rather than as an additional expense.

The National Center for Commuter's Safety and Protection (NCCSP) also urged all commuters to abide by the DOTr requirement.

"Based on our data, many of the reported positive cases of COVID19 originated from users of public transportation," says Chairperson Elvira Medina.

*Manila Bulletin*

### Taiwan

#### Taiwan announces eight public venues where mask-wearing is compulsory

Taiwan Health Minister and Central Epidemic Command Center (CECC) head Chen Shih-chung on August 5 announced eight public settings where mask-wearing will be compulsory, in response to the country's increased coronavirus cases over the last few weeks.

The eight places where mask-wearing is mandatory are:

- Schools
- Places of worship
- Medical and health facilities

- Public transports
- Venues of entertainment (KTVs, sports centers, nightclubs, bars, amusement parks)
- Cinemas and concerts
- Markets (night markets, shopping malls, farmers markets)
- Large social events

Since late June, a few foreign nationals from Japan, Thailand, and Belgium have received a positive COVID test result after leaving Taiwan, all of them with unidentified sources of infection. Despite the fact that none of the cases' contacts have been confirmed with the virus, a growing concern has arisen from the public over potential undetected local infections.

During a CECC press conference, Chen said the new regulations will take effect immediately, but no fines will be issued to violators for now. He expressed hope that the public will respect the regulations and continue to maintain social distancing as well as personal hygiene, reported Liberty Times.

On August 3, the southern city of Tainan said it will re-enact its compulsory mask-wearing policy in all indoor spaces. Since then, both New Taipei City and Taichung City have taken similar measures and now require face masks and a real-name registration system at crowded public places, according to CNA.

Following the CECC's announcement of the new regulations, the Taipei MRT also said it will implement a stricter mask-wearing policy. It emphasized that masks will remain obligatory for all passengers, and any individuals entering the station without a mask will receive fines up to NT\$15,000 (US\$511).

*Taiwan News*

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