CACCI Profile

Confederation of Asia-Pacific Chambers of Commerce and Industry

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PRESIDENT'S UPDATE

Dear friends,

As the year comes to a close, you are no doubt looking forward to a rest. It has been a big year and we have achieved so much.

We conducted Presidential visits to Taiwan and Vietnam, meeting with fellow chambers of commerce and businesspeople. We also held our annual conference in Kathmandu, Nepal under the theme of 'Chambers of Commerce – helping business get SET for the future'.

I represented CACCI at global and regional forums such as the B20 in India, the ASEAN Business and Investment Summit in Jakarta, and World Chambers Congress meetings in Bogota, Colombia and their bi-annual conference in Geneva, Switzerland. I also represented CACCI at a regional NGO Conference in Bangkok.

Another highlight for the year was welcoming our newest CACCI member, the Singapore Manufacturing Federation (SMF). My thanks to their President (and our newest Vice-President), Mr. Lennon Tan, for his leadership and vision.

But it takes a team to do this work. I want to extend my thanks to all of you that attended these visits, supported conferences, and went out of your way to ensure CACCI is a thriving and vibrant network. You know who you are!

In 2024, I look forward to working with you all with a renewed focus in showing the value of being a CACCI member. A focus on sustainability and what it means for SMEs. A focus on young and women entrepreneurs. A focus on trade so that we can continue to connect people, communities, and nations to foster both peace and prosperity in our region.

On a personal note, I was particularly honoured to recently receive the Order of Timor from Nobel Peace Prize Laureate and President of Timor-Leste Dr Jose Ramos-Horta. For those of you who know me, I am a longstanding supporter of Timor-Leste and its people, having helped establish the national chamber of commerce there (also a CACCI member).

So, from me to you, thank you for the year that has been. Please rest, rejuvenate, and enjoy the end of year break. 2024 is going to be even bigger and better.

Yours sincerely,

Peter McMullin AM
CACCI President

SMF President Lennon Tan Appointed CACCI Vice President

Mr. Lennon Tan, President of the Singapore Manufacturing Federation (SMF) – which is the newest Primary Member of the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) - has been appointed Vice President of the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI), representing the Southeast Asia region.

Mr. Tan was named to the position by the CACCI Council during the 97th CACCI Council Meeting held on November 6, 2023 in conjunction with the 37th CACCI Conference in Kathmandu, Nepal.

Mr. Tan is Chairman of ADERA Global Group, which is considered Singapore's globally trusted leader in data security and automation, working in partnership with international banks, businesses and governments to advance the future of a secure world. In 2017, Lennon was named by Ernst & Young as the EY Entrepreneur of the Year for Financial Technology Enablement.

The SMF is the largest national organisation representing the interests of manufacturing and manufacturing-related industries in Singapore since 1932, with about 5,000 corporate members, comprising SMEs, MNCs and Affiliate Members.

Mr. Tan joins eight other key leaders of CACCI Primary Members from other Asia-Pacific regions who currently serve as CACCI Vice Presidents, namely: (a) Sheikh Fazle Fahim, Immediate Past President, FBCCI; (b) Dr. Alireza Yavari, Deputy President for International Affairs, ICCIMA; (c) Mr. Khurram Tariq Sayeed, Representing FPCCI; (d) Mr. Ernest Yuen, Chairman Kowloon Chamber of Commerce; (e) Mr. Hiroshi Oshima, Special Advisor, Japan CCI; (f) Mr. Pradeep Kumkar Shrestha, Former President, FNCCI; (g) Mr. Henry C. S. Kao, Chairman, CIECA, Taiwan; and (h) Mr. Rifat Hisarciklioglu, President, TOBB

CACCI Council Endorses Paper Outlining a Regional Cooperation Agenda for Member Countries

The CACCI Council during its meeting held on November 6, 2023 in Kathmandu, Nepal in conjunction with the 37th CACCI Conference endorsed the policy paper study that was reviewed during the meeting held earlier by the CACCI Policy Advocacy Working Group and chaired by CACCI President Mr. Peter McMullin AM.

Prepared by TEPAV, the think-tank arm of the Union of Chambers and Commodity Exchanges of Turkey (TOBB), the policy paper called for a sector specific, green transformation model for value chain formation among CACCI member countries.

The paper noted that CACCI member countries are currently confronted with evolving dynamics including a shift away from Chinese value chains and the growing significance of environmental and digital imperatives. Notably, CACCI member countries, particularly those in East

Aia, over recent decades have strengthened their industrial capacity and enhanced the sophistication of their exports. However, the full potential of the expansive EU market remains untapped.

The paper pointed out that, as CACCI looks ahead, it becomes of paramount importance to formulate strategies to facilitate collaboration and diversification of high-potential value chains across CACCI member countries. Additionally, it is imperative to accelerate environmentally sustainable practices to secure the access of these countries to the EU market.

The paper stressed the need to introduce a model to enhance value chain formation among CACCI member countries, aiming to extend their export presence to major markets, in particular the EU.

Among the findings of the study are as follows:

1. While the West was the center of global trade in1965, the center has been shifting to the East.
2. The EU is still the biggest market in the world, but it is still highly dependent on China for most products with high imports.
3. While Intra-regional trade in the Belt and Road Initiative (BRI) region has been increasing since the BRI started, there is still a need for CACCI member countries to increase their intra-regional trade.
4. It is time to integrate Central Asia into the world economy through BRI
5. While the Global Value Chain (GVC) participation of major CACCI member economies is high, these economies need forward connectivity to new markets.
6. Each region of XCACCI has at least one major economy with high potential to participate in GVCs in upstream and green products.
7. While the CACCI region lost serious market share after 2016 due to a decrease in competitiveness, China increased its market share by adapting to demand changes.
8. CACCI region's loss of competitiveness is particularly driven by large economies.
9. The Netherlands, Germany, Ireland, and Belgium are the prominent markets to increase forward participation in replacing China.
10. Potential for CACCI member countries shines through in EU electronics, electrical equipment and machinery value chains.

As follow-up activities, the study proposes the following:

1. Based on the above findings, further work can be carried our to identify opportunities for sectoral clustering within specific region.
2. Networking meetings can be held across CACCI member countries to collection feedback on the findings of the study and finalize the strategic value chains.
3. Once the final strategic value chains are identified, regional sub-working groups can be formed.

CACCI Officers Join Luncheon Hosted by the Philippine Representative Office in Taipei

CACCI Director General David Hsu and Deputy Director-General Mr. Amador Honrado, attended the luncheon hosted on December 7, 2023 in Taipei by Mr. Anthony Rivera, Trade Representative & Director for Commercial Affairs. The Philippine Trade & Investment Center (PITC) in Taipei, on behalf of The Chairman and Resident Representative of the Manila Economic and Cultural Office (MECO) Atty. Silvestre H. Bello III.

The event served as an occasion for PITC to express their appreciation to Taiwanese business companies and organizations that have provided strong support to PITC in the latter's efforts to promote trade and investment cooperation between Taiwan and the Philippines. These included the Subic Bay Taiwan Chambers of Commerce, Inc., Taiwan Cold Chain Association, Browave Corporation, BDO Unibank, Sunonwealth Electric Machine Industry Co., Ltd. They were formally awarded with Certificates of Appreciation during the Luncheon.

Representatives from the Philippines – including Ms. Alice Q. Visperas, Deputy Resident Representative of MECO - also shared information on industries and sectors where investment is being encouraged by the government. They also made a presentation on the new training center established in the Subic Bay Area that aims to provide technical skills upgrading to those who are currently employed as well as to future employees.

NEWS UPDATES

Redefining retail in the Philippines

The surge of e-commerce in the Philippines has been nothing short of phenomenal, persisting even in the aftermath of the pandemic. In fact, the country has witnessed the most substantial growth in online shopping across Southeast Asia (SEA) during the pandemic, as indicated by an insightful independent study from a digital marketing insights company authored by Nico Chan of Spiralytics.

The study conducted this March revealed that 54 percent of Filipino consumers initiated their online shopping journey during the pandemic. Remarkably, 73 percent of the new online shoppers expressed their intent to continue their digital purchasing habits even as pandemic-related restrictions ease.

Mobile applications like Lazada have emerged as pivotal players in driving economic growth, especially during the tumultuous times that defined the pandemic era. Throughout lockdowns, such platforms became indispensable, providing not only access to essential goods, but also facilitating income generation for sellers within the confines of their homes.

Lazada and similar platforms have successfully established virtual marketplaces that not only meet consumer demands, but also stimulate financial transactions, buoyed by the convenience of trusted online payment methods and swift delivery services. This digital ecosystem yields numerous advantages for both sellers and buyers, ultimately contributing to the overall prosperity of the Philippine economy. The Spiralytics study underscores the potential, predicting that the sales in the Philippine e-commerce market are poised to reach an impressive $24 billion by 2025.

As an increasing number of Filipinos turn to online platforms for their essentials and desires, micro, small, and medium-sized enterprises (MSMEs), colloquially referred to as "nanopreneurs" by the current administration, are finding access to a broader and more diverse customer base.

This dynamic shift has ignited healthy competition, fostering a demand for superior offers, enhanced service, and superior quality, offering Filipino consumers not just economical choices, but also authentic alternatives.

For sellers, such platforms provide alternative income streams, with the more successful ones evolving into established business owners. Platforms like Lazada actively support sellers, guiding them through various programs designed to maximize their online entrepreneurial endeavors.

An additional facet of e-commerce platforms is the impact of their double-digit campaigns on the market. Such campaigns, offering discounts of up to 90 percent, may appear as simple come-on to some, but they have proven to be active and effective tools for stimulating economic activity.

Anticipated sale events prompt consumers to shop, bolstering demand and contributing to economic momentum. Furthermore, such events offer sellers opportunities to clear inventory, generate revenue, and reinvest in new products or expand their businesses. Notably, the study highlights that "76 percent of year-end shoppers enjoy discovering items they weren't actively looking for. In particular, near-holiday sales like [6.6], 11.11, and 12.12 events significantly boost fashion, food, and health and beauty purchases."

The positive impact of such campaigns extends beyond the platforms themselves, creating employment opportunities for thousands, including delivery drivers, warehouse personnel, and customer service representatives – thus, providing a boost to the wider economy.

E-commerce platforms have evolved into indispensable components of the Philippine economy, providing a virtual marketplace that not only drives demand and exchange, but is also poised to play a pivotal role in shaping the economic landscape for years to come.

FBCCI: Economy facing adverse impacts from geopolitics

The country has started facing adverse impacts amid the economic crisis against the backdrop of the global geopolitical situation, with businesses suffering the most.

Mahbubul Alam, president of the Federation of Bangladesh Chambers of Commerce and Industry, made the observation at the annual general meeting in the capital.

Reminding that "Politics for individuals but economy for all", he called upon businesses to remain united for meeting the challenges of the country's graduation from the least developed countries block from 2026.

The FBCCI chief emphasized that there was no alternative but to ignore political violence and political differences to take the economy forward.

He urged political parties to refrain from taking up violent programs ahead of the national polls.

Describing businesses as the heart of the economy, the apex body chief hoped that businesses would continue to keep their crucial role for the progress of the country despite challenges.

He said that businesses wanted to operate businesses with any hindrance.

He emphasized the proper business atmosphere for expansion of trade and commerce, and investment.

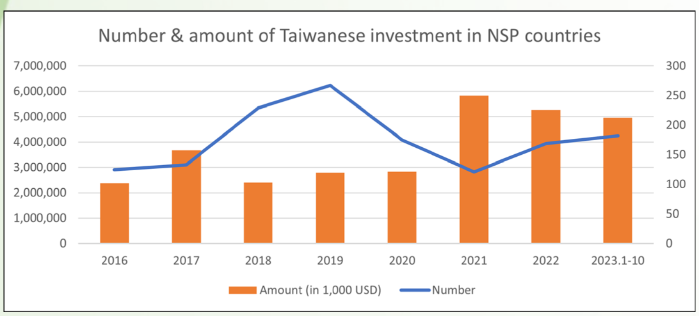
"Traders want to operate their businesses in a proper way. A business-friendly climate is imperative for the expansion of trade and investment," he said.

FBCCI leaders and its general council members attended the AGM held at Bangamata Sheikh Fazilatunnesa Mujib Convention Centre.

The event approved minutes of the trade body's previous AGM, the annual statement, audit reports, and the recruitment of a new auditor.

Dhaka Tribune

A Mutually Beneficial Win-win: Taiwanese Investment in NSP Countries Soars Advancing with Confidence, Unfazed by the Pandemic



Southeast Asia has historically played a crucial role in the overseas operations of Taiwanese companies, and the introduction of the NSP (New Southbound Policy), along with U.S.-China trade tensions and COVID-induced supply chain restructuring, have caused them to ramp up their investment in NSP nations.

Data from the Taiwan Economic Ministry shows that in 2022, Taiwan channeled a staggering US$5.27 billion into NSP countries, marking a 121.4% increase since 2016. During this same period, investments from NSP countries in Taiwan increased eightfold to reach $2.07 billion.

In India, for example, Taiwanese investment surged from $310 million to $1.36 billion, marking a four-and-a-half fold increase. Investment in Indonesia also more than doubled, rising from $1.19 billion to $2.86 billion, while investment in Vietnam increased by 74.5%, reaching $14.01 billion.

According to statistics from the Ministry of Economic Affairs' Overseas Office, total amount of investment in NSP countries has exceeded 100 billion U.S. dollars, and more than 4 million jobs have been created. Meanwhile more than 10,000 such projects totaling $22.3 billion have flowed from NSP countries into Taiwan. Clearly, both sides have reaped mutual benefits from this innovative and forward-looking policy.

Despite global economic headwinds, Taiwanese investment in NSP countries has also remained strong in 2023, with the $4.91 billion in investments for the first 10 months of the year

Taiwanese tech startups pile into ASEAN amid risks in China

Technology startups in Taiwan, home to some of the world's most dominant chipmakers, are sharpening their focus on ASEAN as the prospects of stability for doing business in China wane.

Young tech companies hoping to carve out a plan for regional growth are picking the 10-member Association of Southeast Asian Nations amid Taiwanese tensions with the Chinese mainland that have dimmed the outlook for thriving in Asia's largest economy.

The Taiwanese radar and anti-drone hardware startup Tron Future, founded in 2018, is among those from the island actively scouting for deals to seal in Southeast Asia. Given that its products have defense and military applications, the Chinese market has not held an appeal.

"Due to the nature of our company's industry, China is not a market we anticipate entering," Tron's Chief Executive Officer Yu-Jiu Wang told Nikkei Asia. "ASEAN countries such as Singapore and Vietnam have demands for drone detection. Therefore it will be a big reason for us to enter the market."

Through local distribution partners, Tron said, it has garnered sales in the two countries. It now plans to locate partners in Malaysia, Indonesia and the Philippines through which it can sell its wares and attain a stronger foothold in ASEAN.

The radar and anti-drone hardware company Tron Future is among the Taiwanese startups scouting Southeast Asia for deals to seal. © Photo courtesy of Tron Future

Taiwan's Minister of Economic Affairs Wang Mei-hua told Nikkei in November that Taiwanese companies invested more in Southeast and South Asia than in China for the first time in 2022. Taiwanese investments in those regions, including India, reached $5.2 billion last year, surpassing the $5 billion plowed into China.

Communist China has never ruled Taiwan but sees the island of 23.5 million people as its territory and has not ruled out using military force to seize it.

Many Taiwanese see themselves as distinct from the Chinese mainland, and political tensions have time and again kept the relationship between the two sides frosty.

Tensions have been seen in the field of business as well. Beijing in October urged Taiwanese companies operating in China to show "responsibility" after a probe was started into tech giant Foxconn over tax irregularities.

Taiwan's Foxconn is one of the largest contract producers of electronics globally and a key supplier for Apple's iPhones.

Amid the tensions, some Taiwanese startups are wasting no time in looking away from China to ASEAN as a driver for their growth.

Like Tron, the artificial intelligence-enabled software provider Gogolook, founded in 2012, has latched on to lucrative markets in Southeast Asia, where the management consulting firm Bain & Co. has projected the digital consumer population will grow from 370 million in 2022 to 402 million by 2027.

The Taiwanese startup says it has established its first Southeast Asian subsidiary in Thailand. Gogolook offers anti-fraud solutions that can be used by telecommunications companies and financial institutions.

"The Southeast Asian region has been undergoing digital transformation and has experienced a significant rise in scam-related issues, but there has been a lack of anti-scam solutions and technology." Gogolook's Chief Operating Officer Manwoo Joo told Nikkei. "With its large population base, Southeast Asia offers immense potential."

The software outfit was part of a delegation of close to 30 Taiwanese startups that were in Singapore in November seeking partnerships in the region, meeting with the likes of American tech giant Microsoft, venture capitalists and other startups in the city-state.

This delegation was led by Kao Shien-quey, the deputy minister of Taiwan's National Development Council, an agency overseeing efforts to help the island's startups access the global market. It was the first time that the council has led a business expedition to Singapore for Taiwanese startups.

Kao told Nikkei that the aim was to help young Taiwanese companies get into position to benefit from supply chains shifting toward ASEAN as talk continues about de-risking from China -- reducing reliance on the mainland, which has long been a base of manufacturing and production for many companies.

"Taiwan is a rules-based economy, and as we know, mainland China is manipulated by ... the leaders," she said. "The uncertainty of the regulations [also] will be a risk for the company or staff to do business there."

FunNow Group, which offers entertainment booking services and digital transformation solutions for merchants helped by AI, was another Taiwanese startup that Kao led to Singapore.

CEO Ting-Kuan Chen told Nikkei that his outfit currently derives more than 40% of its revenue from ASEAN markets, serving over 5,000 merchants.

The company sees opportunities for growth in Malaysia and Thailand, where digital payment and food delivery services have high penetration rates. Chen noted that in those markets, consumer consumption is growing and users are looking for better lifestyles.

"China ... is supermature and saturated," he said. "We decided to go to ASEAN to be the leader instead of competing with those internet giants in China."

Nikkei Asia

Australian government modernises temporary migration program

In response to the government's new migration strategy, the nation's largest business network welcomes the much-needed steps taken to address critical workforce shortages and streamline the immigration process.

"The strategy marks a pivotal shift towards fostering sustainable growth, employment creation and innovation within Australia's business landscape," ACCI chief executive officer Andrew McKellar said.

"The creation of a new three-tiered temporary skills pathway will assist employers as they attempt to navigate our currently complex system. The introduction of service guarantees on visa pathways that target elite talent will help Australia attract highly skilled migrants in sectors like the resources sector, technology, and financial services. This will unleash new innovations, lure foreign investment, and build new industry.

"Business applauds proposed measures to reduce complexity in the system and ensure visa processing times are further expedited. The creation of a specialist skills pathway for jobs that pay above $135,000 with a seven-day visa processing time will allow us to compete globally for the best and brightest.

"It is however unfortunate that the specialist skills pathway excludes tradespeople from accessing this category – they will be able to come into the country only through the core skills pathway.

"Business welcomes the removal of labour market testing and overhaul of skill occupation lists, noting Jobs and Skills Australia will provide a single streamlined list to deliver the workers businesses need.

"When it is widely known that workforce shortages are at their worst in decades, requiring a business to advertise the position for at least four weeks before they can look overseas just slows the process down.

"We note the Temporary Skilled Migration Income Threshold is to be indexed annually. We will closely monitor this to ensure that regional and rural businesses do not face added disadvantage.

"The commitment to prioritise regional visa applicants as the highest priority is welcomed but it must be balanced to ensure that the introduction of greater worker mobility does not disadvantage employers, particularly in regional and rural Australia.

"We know it can cost businesses thousands to bring in workers to assist with their labour shortages. It is vital that all government charges are moved to a monthly payment rather than upfront to assist businesses.

"The Working Holiday Maker program is vital for providing a stream of workers for our cafes, bars, restaurants, hotels and high-end resorts across Australia. We look forward to working with the government to ensure the right settings are struck to maintain this pipeline.

"The announcement of a pathway to permanency for temporary skilled migrants is something that ACCI has been calling for. It means Australia can be the destination of choice for the world's best talent. Business isn't the only beneficiary here. It allows migrants to come here, settle, raise families, and contribute to their local community."

ACCI Media Release

FPCCI, PTBA team up to boost tax culture

The Federation of Pakistan Chambers of Commerce & Industry (FPCCI) and the Pakistan Tax Bar Association (PTBA) agreed to form a joint committee to promote tax culture in Pakistan, broaden the tax base, simplify taxation rates and create awareness among the business community.

The agreement was reached during a visit by the newly-elected PTBA President Anwar Kashif Mumtaz and his team to the Federation of Pakistan Chambers of Commerce & Industry headquarters in Karachi, where they discussed matters of mutual interest regarding taxation reforms.

Mumtaz outlined his association's plan of action, which envisages that chambers and associations should have zero tolerance for non-filers and should not verify or endorse those businesses that are not regular tax filers.

"Besides, FPCCI & PTBA should jointly organize National Tax Day on 24th February 2024 and there should be valid, up-to-date and reliable national tax database," a statement said. Furthermore, chambers and associations should promote awareness in the business community to pay their taxes and Federation of Pakistan Chambers of Commerce & Industry & PTBA should also collaborate in research & development activities to propose taxation reforms to the federal and provincial governments.

Acting FPCCI Chief Salman Chawla reiterated FPCCI's stance that documentation of the economy is paramount; however, active tax filers should be treated with respect and facilitated.

Being in the system should be rewarding and not the other way round, he added. Chawla informed that FPCCI advocating taxation reforms in its proposals for the federal budget 2023 – 24; instead of leveraging the opportunity for concessions.

"We, at FPCCI, believe that broadening of the tax-base and end to harassment will be more productive as compared to sticking to the approach of taxing the taxpayers even more," he added.

M A Jabbar, vice president FPCCI, opined that simplification and rationalization of the taxation system in line with global best practices is required in Pakistan to adopt the models of developed economies.

He stressed that tax collection machinery and adjudication should be separated in order to maintain integrity, fairness and administrative efficiency. Jabbar added that a meaningful consultative process with the business, industry and trade community can yield more results for the country and its economy as opposed to issuance of thousands of notices.

The International News

FNCCI President urges UAE investors to invest in Nepal hydro, tourism, agriculture, and ICT sectors

President of Federation of Nepalese Chambers of Commerce and Industry (FNCCI) Chandra Prasad Dhakal has invited UAE investors, urging them to explore lucrative opportunities in Nepal's burgeoning sectors.

With the presence of dignitaries including Prime Minister Puspa Kamal Dahal, the forum marked a pivotal moment in the robust friendship and economic cooperation between the two nations.

In his address at the Nepal UAE Business Forum in Dubai, President Dhakal, representing the apex body of Nepal's private sector, FNCCI, highlighted the PM Dahal's commitment to economic revival, setting the stage for a thriving business environment.

Nepal's external sector stability, coupled with a youthful population, creates a solid foundation for trade and investment, making it an attractive prospect on the global stage, Dhakal said.

Identifying key sectors for mutual growth, President Dhakal emphasized four areas with immense investment potential: energy, tourism, agro-processing, and ICT. He encouraged UAE investors to capitalize on Nepal's promising energy market as regional markets open up, presenting a timely opportunity for impactful investments.

In the tourism sector, President Dhakal showcased Nepal's significant infrastructure development, including additional international airports in Lumbini and Pokhara. He urged UAE investors to contribute to the development of world-class tourism infrastructure, including hotels, cable cars, theme parks, and hill stations, underscoring the potential for increased bilateral tourism.

Agriculture, a cornerstone of Nepal's economy, presented another avenue for collaboration. President Dhakal invited UAE investors to explore opportunities in agro-processing, leveraging Nepal's unique climate and the Himalayan region's agricultural products. He called for tariff and non-tariff facilitation to enhance the sector's growth.

The ICT sector, a growing force in Nepal, aligned with the UAE's success in the digital economy, offering prospects for collaboration and knowledge exchange. President Dhakal envisioned a mutually beneficial partnership in this sector, fostering innovation and growth.President Dhakal also highlighted the crucial role of banking and finance in trade and investment. Proposing a partnership to promote UAE investment in Nepal's banking sector, he emphasized the potential to cater to the large Nepali population through operations of Nepali banks in the UAE.

Drawing attention to the Nepali workforce in the UAE, known for their hard work and integrity, President Dhakal proposed investments in technical and vocational schools to upskill the workforce, creating opportunities for joint growth. He shared his personal journey as a living example of what is possible in Nepal with government support and a favorable investment climate.

Expressing gratitude to Prime Minister Dahal for his commitment to drafting a Bilateral Investment Agreement between Nepal and the UAE, President Dhakal concluded by inviting the UAE business community to invest in Nepal. FNCCI, he assured, is ready to cooperate on all fronts to strengthen economic relations between the two nations.

As the forum concluded, the invitation resonated, opening new avenues for collaboration and reinforcing the belief that the synergy between Nepal and the UAE can script a joint story of growth and prosperity.

My Republica

South Korea, Qatar chambers to boost carbon-neutral firms

The Korea Chamber of Commerce and Industry (KCCI) is looking for ways to forge collaboration ties with Qatar Chamber to advance sustainable practices and decarbonisation in business operations, an official has said.

"The KCCI operates various organisations and programmes, such as the carbon reduction certification centre, the green energy support centre, and the supply chain support centre for carbon neutrality in the industry.

"Qatar Chamber is also working to achieve carbon neutrality for companies, so they can share their know-how to achieve carbon neutrality with KCCI and jointly pursue reduction projects, if necessary," Cho Young-jun, Executive Director/Sustainable Management Institution at KCCI, told Gulf Times in an interview at the chamber's headquarters in Seoul.

Cho noted that there are some areas within environmental, social, and corporate governance (ESG) and carbon neutrality that KCCI could align with the Qatari government, including relevant public and private sector entities.

"The role of the carbon market is becoming important for carbon neutrality. Qatar also operates a certification centre to support this and we also established and operated a certification centre in January this year.

"In this regard, the two countries share know-how in operating the programme, such as greenhouse gas reduction methodology and mutual recognition of issuance credits, which can help both countries achieve carbon neutrality," Cho said.

He said KCCI has been involved with successful ESG initiatives or partnerships that could serve as potential collaborations with Qatar, such as the utilisation of corporate technologies and capabilities in solving social problems and expanding corporate social roles.

"Sustainable social risk companies are participating voluntarily; if new entrepreneurship spirit spreads and more companies sympathise and participate in the future, efforts to expand their social roles will increase not only in South Korea but also overseas.

"There are many South Korean companies operating in Middle East countries, so there will be opportunities for co-operation. It will also serve as an opportunity to spread this new entrepreneurial spirit to Middle Eastern companies and society," Cho explained.

Cho also pointed out that there is potential for KCCI's Sustainable Management Institution to contribute to achieving Qatar's ambitious goals for carbon neutrality and sustainability.

"South Korea and Qatar are representative countries that are highly dependent on fossil fuels. Accordingly, the Institute for Sustainable Development in South Korea has formed and operated an industrial greenhouse gas reduction research group, in collaboration with 16 industry organisations.

"The research group is supporting the establishment of carbon neutrality promotion strategies by industry, as well as the discovery and diffusion of best practices and field guidance. Business networking, training programme operation, and best-practice sharing with Qatar are expected in the future," Cho revealed.

Gulf Times

Vietnam Chamber of Commerce and Industry releases Mekong Delta Annual Economic Report 2023

The Vietnam Chamber of Commerce and Industry (VCCI) hosted the launching of the "Annual Mekong Delta Economic Report 2023". This research represents a tangible outcome of the responsibilities outlined in Government Resolution 57/NQ-CP from 2022, which mandates the Chamber to lead and collaborate with pertinent agencies in autonomously monitoring, assessing, and regularly reporting on the holistic socio-economic progress of regions. The focus is on evaluating the effectiveness of regional coordination and linkage activities in each locality, as stipulated by the resolution.

VCCI and the Fulbright School of Public Policy and Management (FSPPM) jointly conducted the report. VCCI Chairman Pham Tan Cong provided guidance for the project, with oversight from Mr. Nguyen Phuong Lam, the director of VCCI's Mekong Delta region, and Dr. Vu Thanh Tu Anh, the Director of FSPPM and 30 experts from various fields.

Socio-economic situation of the Mekong Delta

Confronted with the adverse impacts of the global economy, characterized by a downturn in global economic growth, Vietnam stands out as a positive anomaly with an 8% growth rate. However, the diminishing demand both domestically and internationally has led to Vietnam achieving only a 4.2% growth in the first nine months of 2023 compared to the same period. In parallel with the overarching national trajectory, the economic recuperation of the Mekong Delta exhibited pronounced resilience in 2022; however, a discernible deceleration ensued in 2023.

Investment growth in the Mekong Delta lags behind the national average, resulting in a decline in the region's investment proportion relative to the entire country.

While agriculture occupies a central role in the Gross Regional Domestic Product (GRDP) of the region, it does not function as the primary driver for propelling the regional economy forward. The agricultural sector receives the second-largest investment, approximately 32 trillion VND annually, yet its growth rate remains below the median at 3%. This underscores the limited growth potential within the existing agricultural institutions and models, signaling the need for fundamental changes.

Challenges of the Mekong Delta & Research results

The Mekong Delta Annual Economic Report for 2022, identifies three negative trends in the realms of economy, society, and environment. It succinctly outlines these challenges within these downward spirals. A pivotal message conveyed in the 2022 Annual Report is that the Mekong Delta can achieve sustainable economic development and enhance people's incomes only by disrupting some aspects of these downward spirals and subsequently transforming them into upward trajectories.

A bottleneck underpinning economic, social, and environmental challenges, as highlighted in both the 2020 and 2022 Annual Reports, is the inefficiency in regional governance, coordination, and linkage mechanisms.

The research process reveals that six groups of factors directly contribute to the existing challenges in the Mekong Delta, encompassing: (i) natural conditions; (ii) technology; (iii) human capital; (iv) infrastructure; (v) investment and business environment; and (vi) governance, cooperation, and regional linkage mechanisms. These immediate causes result from a complex interplay of institutions, policies, and economic processes, ultimately stemming from fundamental institutional factors. Consequently, institutional bottlenecks are currently impeding regional economic development, and without adjustments, sustained rapid and sustainable development in the long term for the region is likely to be challenging.

The release of this year's report comes at a juncture where Mekong Delta provinces have recently completed their individual planning at the provincial level. To address obstacles in the implementation of each local plan, an enforcement mechanism is essential.

On December 12, 2023, in Can Tho, VCCI hosted a ceremony to unveil the "Mekong Delta Annual Economic Report 2023" and organized the Policy Forum titled" The Mekong Delta development from regional connections and cooperation mechanisms among localities". The forum aimed to assess the efficacy of the mechanisms in implementing regional planning and managing resources in the Mekong Delta, including proactive measures related to climate change and helping the region grow sustainably despite hard situations.

Globe Newswire

MEMBER PERSONALITIES

Enunina Mangio to Take Over the Presidency of PCCI

The Philippine Chamber of Commerce and Industry (PCCI) has elected Consul Enunina "Nina" Mangio as the new president of the country's most prominent business organization, taking over from Mr. George Barcelon.

Mangio, owner of several large businesses including the SamgyeopMasarap chain of restaurants, was unanimously elected by the incoming 20-member board of directors of the PCCI during its annual meeting held last Friday, December 1, 2023.

Mangio is the third woman president of the PCCI since its inception in 1978. She is currently the Vice President for Regional Affairs of the trade group, which now has a 30,000-strong membership.

"I am honored by the trust and confidence that my colleagues in PCCI have entrusted in me. I will do my best to serve the chamber movement and represent the organization in the local and global arena," Mangio, who is also an Honorary Consul of the Republic of Liberia in West Africa, said.

Mangio, who will officially assumed her post in January 2024, vowed to continue the works that her predecessor started and committed to proactively work with the national government in attracting local and foreign investors to the country. She also aims to push for programs that will create more business and generate jobs across the country.

A licensed chemical engineer by profession, Mangio has been engaged in several businesses including Servcare International Corporation, an international holding company with subsidiaries in the US, Asia, and Dubai, where she sits as President. She is also the Chairman of the Board of Mawell Chemical Corporation, a Triple-A Electrical & Mechanical Contractor, and Choosers Choice Food & Development Corporation—a chain of casual dining restaurants serving Korean and Japanese cuisines with a total of 56 branches all over the Philippines.

She is a graduate of the Mapua Institute of

Technology, holding a double degree in mechanical and chemical engineering. She also earned her master's degree in business management from the Ateneo Graduate School of Business. At present, Mangio is also the Board Governor of the Employers Confederation of the Philippines (ECOP), a Board of Trustee for the Philippine Food Exporters Confederation (Philexport), Honorary Chair and Senior Adviser for Philippines-Korea Business Council.

The PCCI contributes to the government's efforts in formulating policies that will spur businesses and economic growth. Its members, especially the MSMEs, have also relied on the PCCI leadership to take on the cudgels for them, represent them on all fronts, and speak as a solid voice of business.

Anish Shah takes over as FICCI President for 2023-24

Industry body FICCI has a new President in Anish Shah, who is currently Group CEO of Mahindra Group and the Managing Director of M&M.

Shah took over as FICCI President from Subhrakant Panda at the apex chamber's recently concluded 96th Annual Convention in the capital.

Shah holds a Ph.D. from Carnegie Mellon's Tepper School of Business and a Post-Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad.

Harsha Vardhan Agarwal, Vice Chairman and Managing Director of Emami Limited has been elevated as Senior Vice President at FICCI.

In addition to being a FICCI National Executive Committee office-bearer, Shah is also a member of the UK Investment Council, Chair of the Automotive Governors Council (World Economic Forum), co-Chair of the India Alliance of CEOs for Climate Change (World Economic Forum) and co-Chair of the India-Australia CEO Council.

Prior to Mahindra Group, Shah was President and CEO of GE Capital India from 2009-14, where he led the transformation of the business, including a turnaround of its SBI Card joint venture. His career at GE spanned 14 years, during which he held several leadership positions at GE Capital's US and global units. He has also led the Bank of America's US Debit Products business and worked with Bain & Company in Boston and Citibank in Mumbai.

The Hindu Business Line

PRODUCT & SERVICE COUNCILS

Asian Council on Food and Agriculture

'Significant investment opportunity' in decarbonising Asia's agri-food sector: report

Decarbonisation presents a significant investment opportunity for Asia's agri-food sector, given its large scale and need for technology implementation, according to a new report co-written by Temasek.

The third edition of the Asia Food Challenge report, published on Nov 1, said applying emissions-reducing technologies and practices across rice and cattle farms alone in Asia can improve farm-level gross margin by up to 16 percentage points.

Such large productivity gains would incentivise multinational corporations – many of which have set a 2030 decarbonisation target – to turn to these solutions.

Moreover, the physical farm-level technologies and assets required to cut the emissions in the rice and cattle farms by 2030 are estimated to cost US$125 billion, far lower than the estimated cost to decarbonise the aviation or energy sectors, the report's authors said.

Achieving net zero in global aviation was estimated to be only achievable by 2050 with investment of over US$5 trillion, while funding the energy transition in Asia in line with the target of limiting the average global temperature rise to 1.5 degrees Celsius is estimated to require US$5.7 trillion of investment by 2030, they pointed out.

The lower cost to decarbonise the agri-food sector is in large part due to the relatively low capital expenditure of the solutions and their high technological readiness level, they said.

The report was put out by state investor Temasek, together with professional services firm PwC, food and agriculture bank Rabobank, and Olam's climate tech venture Terrascope. The focus is placed on Asia as the region feeds nearly 60 per cent of the world's population.

More than 20 decarbonisation solutions for the agri-food sector were identified in the report. Some of those that can already be applied today include crop residue management and improved fertiliser efficiency, while next-generation solutions include biological manufacturing, green ammonia and predictive informatics.

Tapping carbon markets

In the report, the authors also highlighted the key role of carbon markets in driving adoption of technologies and practices that can decarbonise the agri-food sector, which the report noted accounts for half of South-east Asia's greenhouse gas emissions, at 1.7 gigatonnes.

"Farmers need to be incentivised to adopt lower-emissions practices that are otherwise economically unfeasible," they wrote. "Additional incentives, in the form of the carbon markets or tax relief for implementing these technologies and practices, are needed to increase uptake by farmers."

The source of revenue from carbon markets by 2030 is estimated to range from US$2 billion to US$59 billion, the report noted. This presents an additional potential revenue stream for farmers who "may not otherwise take actions to decarbonise their operations", they added.

The lower limit assumes a US$10-a-tonne carbon price covering 20 per cent of the sector's emissions reductions potential, while the upper limit assumes the scenario of a regulated carbon market imposing a US$70-a-tonne carbon price on Asia's agri-food sector.

These calculations were made based on the understanding that there is potential to cut greenhouse gas emissions in the Asian agri-food sector by about 12 per cent by 2030. This represents a reduction of nearly 840 million tonnes of carbon dioxide equivalent – an amount comparable to emissions from the entire global aviation industry last year – the report noted.

Companies can take this as an opportunity to generate carbon offsets from carbon sequestration, the authors added. This can be done through the integration of afforestation, restoration and reforestation approaches, many of which can be combined with forms of farming, they said.

Nevertheless, the authors acknowledged the challenges inherent in the carbon market. For one, not all sectors or companies are included in the regulated carbon markets in Asia, they said.

The carbon price is also "too low" to enforce meaningful change in some areas that offer the highest potential for reduction, in large part due to the prevalence of low-quality, low-price carbon credits and offsets in the market, they said.

These typically support projects dealing with emissions avoidance from forested areas, which "have almost zero cost to implement", since the cost of removing carbon from the air is multiple times higher than the current carbon price, they added.

To address these challenges, an agreed set of regulatory frameworks, including measurement standards, which take into account the duration and reliability of emissions reduction and sequestration, and accurate emissions factors will be required, they said.

The Business Times

CACCI Women Entrepreneurs Council

Microfinance Institutions empowering women entrepreneurs amidst social challenges

Ruchi Mittal, who runs Ma Bhagwati Enterprise in Haldwani, Uttarakhand, took her first-ever loan from Fusion Microfinance during the first wave of the Covid pandemic. "I took a loan of ₹25,000 at that time. This year, I reapplied for the loan to expand my business from plastic items like buckets, pots, and toys to taking a distributorship of Neha Mehandi." Mittal said she took the loan from Fusion Microfinance after recommendations from her friends who have also borrowed capital from the same firm.

Fusion Microfinance, which follows the Joint Liability Model, disbursed loans to nearly 36 lakh women across India as of FY2023. A Joint Liability Group (JLG) is a group of individuals who come together to avail loan through the group mechanism against mutual guarantee. The members of the group are jointly eligible for the loan and own the debt liability jointly. MFI loans are collateral-free and most of them work under the same model.

Fusion's branch head in Haldwani told Mint that currently, a JLG group has narrowed to five from 15 in 2014. The branch manager underlined a list of criteria based on which they disburse loans such as--Any of the family members of the women borrower (husband, father, father-in-law) should own a house, an original Aadhaar card of the borrower, CIBIL score of the borrower or closest family member, and lastly, the loan across all financial institution should not exceed ₹1,80,000. Fusion Microfinance has disbursed a loan of ₹8,375.16 crore in FY2023.

Several such microfinance institutions have helped millions of women to run their own businesses by providing them micro-credits who otherwise lack access to formal banking and related services through the JLG model.

"MFIs have always given preference to impoverished women, especially in the rural areas in a bid to promote female entrepreneurship and financial independence," Samyak Chakrabarty, founder, Workverse said.

Chakrabarty, who has worked extensively in enabling micro-entrepreneurship and upskilling for women across rural India added, "Qualitative observations suggest that women have a far greater discipline when it comes to (a) judicious and rightful utilization of funds and (b) adhering to payback commitments."

"Women never had presence in a family's financial decision due to social construct and patriarchy. Also, traditionally, women have either thin or zero files because they never entered into a formal financial system. However, several reports have suggested they are excellent at repaying loans. MFIs have acknowledged these facts and so they focus on women borrowers," Kalpana Ajayan, regional head of South Asia at Women's World Banking said. According to the Bharat Microfinance Report by Sa-dhan, women borrowers in microfinance comprise 98% of the total clientele of MFIs.

Dipti Bhandari, a microentrepreneur, who used to run a Kirana store in Kaladhungi, runs a parlour and boutique now. “I have taken a loan from Fusion thrice. The first time I took a loan of ₹40,000 and paid EMI of ₹1,700 every month. Now, my loan amount is ₹60,000, and pay an EMI of ₹2,800/month. With a loan, I purchased a sewing machine, an interlock machine, and added cosmetics products in my shop,” she said.

MFIs in India have been playing a major role in the purveyance of small credit especially to weaker sections without any collaterals. But being lauded as the magic bullet to eradicate poverty and increase women’s empowerment, there have been instances of harassment against borrowers, astronomical interest rates, debt traps, and cases of staff fraud. Some instances of ever-greening of overdue loans and lending to defaulting clients have also been noticed. The reputation of microfinance has gone through a rollercoaster of opinions.

During the Covid pandemic, job losses, loan defaults, and reduced quality of life became commonplace among vulnerable people. A study by Sa-Dhan found that 94% of families had faced disruption to normal livelihoods, 70% of households saw a decline in incomes and savings, 56% of households experienced enhanced debt levels and 67% of households faced higher interest costs during the pandemic.

According to Ajayan, MFIs are catering to a segment that otherwise is difficult to reach. Even with the advent of technology, the basic services still predominantly depend on human resources to ensure effective delivery. There has been a steady growth of the workforce in the microfinance sector in the past few years. As of 31st March 2022, the total workforce stood at 1.95 lakh, which is a growth of 21% over the previous year. More than 60% of the staff in MFIs are in the field, working as branch staff, involved in the sourcing of applications, appraisal, and sanction of loans, loan monitoring, and collection of repayments.

“MFIs are going down to the lowest common denominator to lend these products to women. It is an expensive component of a business...Lending unsecured loans in the farthest areas will also be a costly affair for a firm as it is fraught with the inherent risk of repayment default,” Ajayan said.

The mid and small-size institutions also face problems with access to finance and the cost of funds. Primarily, MFIs borrow from banks on the strength of the capital, they hold. The total outstanding debt funding of these institutions stood at ₹64,693 crore for the year 2021-22.

“MFIs have a policy adopted by their Board regarding pricing. While fixing the price they take into account of Cost of funds, operational cost, risk cost or credit cost, and then margin. As we know the policy rates have gone up by 250 bps in the last 18 months, and the cost of borrowing has increased. Also, the Covid-induced risk has still an effect. The credit losses are estimated to be around 250bps,” Jiji Mammen, Executive Director and CEO of Sa-dhan said.

Traditionally, MFIs have been lending for both consumption and productive purposes. As per Sa-Dhan’s analysis, poor people use their loans for their emergency and consumption needs more than for livelihoods. Productive loans are generally for businesses where ideally there should be profits that can enable direct and timely payback of loans. However, non-productive loans such as marriage or education are non-earning pursuits.

CEO of Sa-dhan added that even non-productive loans are pertinent for the needs of vulnerable populations. For instance, “health and treatment is considered as a consumption loan but it is actually a productive loan as it enhances the productivity of the person. Similar is the education,” Mammen said. However, borrowing from various sources for such purposes can increase indebtedness and can cause some stress on people, he added.

According to Workverse founder Chakrabarty, "If the debtor does not experience a rise in income from other sources, he/she will often default," he added, "Majority of the micro-loans borrowers are those pursuing unstable occupations for inconsistent income thereby not being able to pay for loans that did not directly result in financial yield".

"At present, two key factors need focus in the country--joblessness and inequality. MFIs are playing a critical role by giving opportunities to those who are at the bottom of the pyramid and mitigating gender inequality by creating women microentrepreneurs," Devesh Sachdev, MD and CEO of Fusion Microfinance said.

Several women borrowers told Mint they are not much aware of how much interest they pay on their monthly EMIs. "We get a message on our registered mobile numbers that our payment is due and we either go to the branch to make the payment or do it online," they said. Instant loans and accessibility have been a prime reason for them to take loans from microfinance institutions, the women borrowers who are semi-literate said.

Ombatti Sharma, a borrower from a MFI said she expanded her tea stall into a fast food business. "I am proud that I am financially independent. Of course, my husband has supported me to fulfill my dream. With this fast food stall, I pay my monthly rent, pay the school fee of my daughter, and also save ₹200 per day".

Notably, the Reserve Bank of India (RBI) allowed microfinance lenders to fix interest rates on loans with a rider that should not be usurious for the borrowers. A microfinance loan is defined as a collateral-free loan given to a household having an annual income of up to ₹3 lakh, according to RBI's latest guidelines.

The RBI has also put a limit on the maximum repayment value to 50% of the monthly household income to curtail over-lending.

"There are laws and rules that RBI has in place for collection agents. However, the majority of collection operations are run by 'goons' who pry on semi-literate debtors or blue-collar workers who can be easily manipulated by threats. More work needs to be done by the RBI to educate debtors about their rights, remedies, and protections even if they are defaulters. Also, the mindset needs to change that not all defaulters are wilfull, many are victims of circumstances and hence they cannot be put in the same category as debtors will fraudulent intentions," Chakrabarty said.

SIDBI has also instituted a third-party Code of Conduct Assessment that measures MFI's adherence to ethical and sound lending practices. "MFIs also regularly submit financial and operational data, at periodic intervals-enabling transparency," the national development bank said.

MFIs are one of the very few institutions that attract an overwhelming share of women and can therefore serve as a potential vehicle for female empowerment and can play a significant role in closing the gender gap.

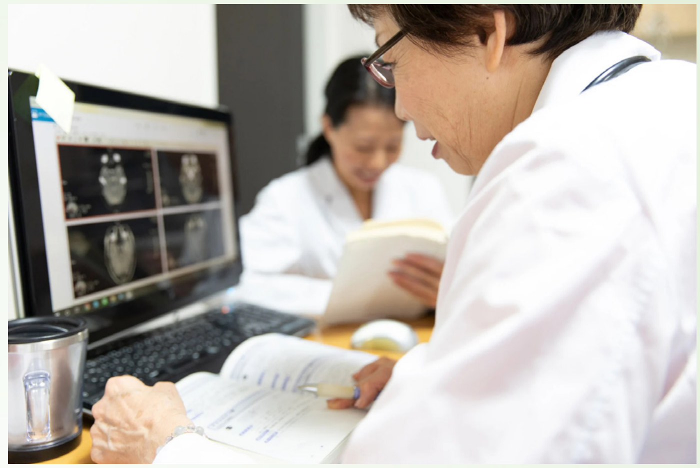
Mint

Asian Council on Tourism

Why the next big Asian medical tourism destination could be Osaka, Japan

Less than 18 months ahead of the opening of the World Expo 2025 in Osaka, Japan's second city is hoping the showcase event will also serve to highlight its medical tourism facilities.

The Japanese government included measures to promote inbound medical tourism as



far back as 2009, with medical visas introduced two years later that permit a single stay of up to six months and unlimited return visits for the following three years, but the initiative largely failed to take off.

The nascent medical tourism sector was then badly affected by the coronavirus pandemic.

Now, Osaka is one of a number of cities across Japan that is working with government ministries and private travel and health companies to attract people wanting to combine cutting-edge medical treatments with a recuperative holiday.

Other destinations with initiatives designed to similarly appeal to foreign nationals include Sapporo, in Hokkaido; Okinawa; Minokamo city, in Gifu prefecture; and Sendai city, in Miyagi prefecture.

In April, Osaka and domestic travel giant JTB set up the Osaka International Medical Contribution Promotion Committee [CONFIRM] to bring together institutions offering treatments and foreign nationals seeking care. To promote its services, the city has adopted a new slogan: “Osaka, the future city of life and health.”

In comparison with the likes of Singapore, Thailand, Malaysia and South Korea, “Japan’s medical tourism initiatives are just beginning but we are confident that we can soon be on a par with other countries in this sector,” says Takanori Matsushima, director of the Japan Medical and Health Tourism Centre (JMHC).

Before the pandemic, the organisation received most of its inquiries and medical tourism visitors from Russia and China, but there has been a sharp increase in requests for information from Hong Kong, Vietnam, Mongolia, other countries in Southeast Asia and the Middle East, he says.

According to Japan’s Ministry of Economy, Trade and Industry (Meti), some 27,000 foreign nationals combined medical treatment with a holiday in Japan in 2012, with the International Medical Travel Journal estimating that figure had risen to around 50,000 people by 2019. With tourism only just resuming after the pandemic, Meti has yet to release updated figures on arrivals or set targets for the sector.

“We have consistently received inquiries about advanced cancer treatments, but that seems to be diversifying into other areas of medicine,” Matsushima says.

“People are looking into treatment in Japan because of the high level of medical technology available here, as well as our reputation as being a safe and welcoming country, but the weakness of the yen in recent months has also helped to make Japan attractive.

“We are seeing that people in Hong Kong are looking for medical treatments and service that may not be easily available there and at an affordable cost.”

Matsushima says there are a number of areas in medical care in which Japan is ahead of the rest of the world, pointing to therapies using induced pluripotent stem (iPS) cells and developments in associated treatments. The JMHC has recently launched a service to culture and store iPS cells for therapies that rely on manipulated cells.

In April 2022, Osaka University’s medical school announced a breakthrough in the transplanting of corneal cells created from iPS cells. In a world first, the university was able to restore vision to three people who had only marginal sight. The university is now collaborating with private companies to make the procedure available to the

public.

In 2020, another team at the university hospital carried out the world's first transplant of cardiac muscle cells using iPS cells, while Osaka-based Sumitomo Pharma in 2021 announced that it would be carrying out clinical trials in the use of a regenerative treatment for Parkinson's disease that similarly uses reprogrammed iPS cells.

Key to the success of medical tourism in Japan will be communicating the care that is available, Matsushima says.

JTB has allied with overseas medical agents and is taking part in medical exhibitions around the world to stimulate interest. It also connects patients with the most suitable treatment provider; arranges travel to and from Japan, as well as accommodation for the patient and any companions; offers translation services; and provides follow-up services after patients have returned to their home countries.

An official of the company says it has seen an increase in inquiries about "areas of treatment where Japan is ahead of the world, such as heavy particle therapy and immunotherapy".

Osaka intends to appeal to people seeking treatment by bringing together its medical facilities and its tourism appeal, says Koji Ogawa, manager of the Osaka International Medical Contribution Promotion Committee.

"Osaka and the wider Kansai region have many famous and prestigious medical institutions that are recognised as being among the best in the world in areas such as cardiology, cancer treatment and immunotherapy," Ogawa says.

"And Osaka is also a great city for sightseeing."

South China Morning Post

INVESTMENT & JOINT VENTURES

AIA partners with Malaysia eWallet for affordable health insurance

TNG Digital, in partnership with AIA Malaysia, has introduced Insure360, a comprehensive health insurance centre, accessible through its Touch 'n Go eWallet. This feature provides a selection of critical illness and medical insurance products.

The launch of Insure360 adds to TNG Digital's existing range of insurance products, which includes WalletSafe, SafeTrip, SafeHome, and CI Insure. The new offering aims to cater to individuals seeking affordable medical and critical illness coverage, with premiums commencing from as low as RM10 per month.

According to a news release, Insure360 is tailored to meet the needs of those requiring basic insurance coverage or seeking to supplement existing medical insurance, possibly provided by their employers. The premiums for these plans are variable, considering factors such as age and gender. Furthermore, the coverage offered is renewable annually for individuals up to the age of 70.

The service offers two coverage options, both of which do not require a medical examination. Users have the flexibility to either select from various insurance products to create a customised plan or opt for a convenient two-in-one bundle that combines critical illness and medical insurance.

The benefits under these plans include coverage for hospitalisation expenses and, in the event of a critical illness, a lump sum payout reaching up to RM100,000. Additionally, a lifestyle assistance allowance is also part of the package.

Another important feature of Insure360 is its access to AIA's Personal Medical Case Management Service. This service connects users with globally renowned medical specialists for expert advice and treatment recommendations based on a reassessment of their medical diagnosis.

Moreover, the collaboration with AIA introduces virtual medical services, enabling users to receive medical consultations remotely. For hospital admissions, Insure360 offers a cashless admission facility at AIA panel hospitals throughout Malaysia. Claim submissions can be made online via the Touch 'n Go eWallet under the GOprotect feature, with swift payment transfers to the user's bank account upon claim approval.

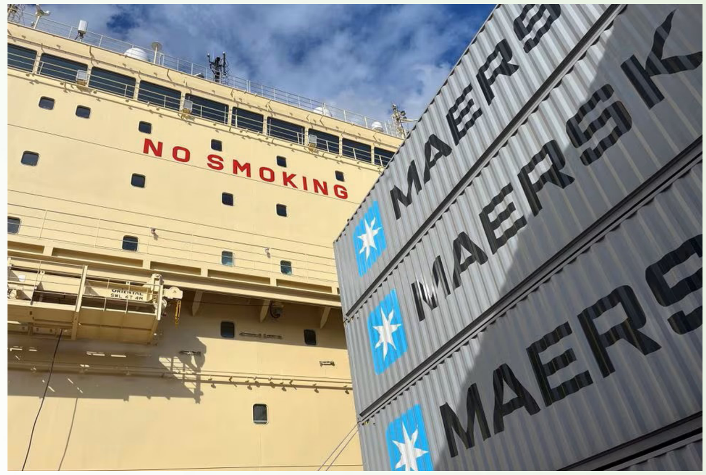
Eligibility for Insure360 is restricted to eKYC verified users of the Touch 'n Go eWallet, aged between 18 and 50. This includes permanent residents, work permit holders, pass holders, and legally employed individuals residing in Malaysia.

"Insure360 not only provides flexible solutions – it enables users to easily purchase critical illness insurance, in addition to their medical insurance. This is just the beginning for us, as we will be rolling out new features and enhancements in the future – so stay tuned!" AIA chief marketing officer Heng Zee Wang said.

Elsewhere in the region, AIA Singapore has announced key leadership changes effective from late November and early December 2023.

Insurance Business

Maersk to invest more than $500 million to boost South-East Asia supply chain



Maersk announced more than USD$500 million investment to expand its supply chain infrastructure to support Southeast Asia's emergence as a global production hub and a consumption powerhouse. Maersk's planned three-year investment will target its Logistics & Services arm, but at the same time, substantial amount of investment will also be channeled into its Ocean and Terminals infrastructure. The investment is expected to create job opportunities for local talents on top of automation efficiencies and scale the company's existing network footprint in the region.

The investment was announced on the sidelines of a recently concluded global executive board meeting in Singapore. It aims to build supply chain resilience, lower the cost of trade, which tends to be 2x-3x higher in certain Asian markets and offer value-added outcomes to its customers.

Maersk will invest in scaling its warehousing and distribution footprint by up to 50% across the area to augment its ocean, air and land capabilities, serving both international and domestic markets and demand. By 2026, Maersk expects to add nearly 480,000 sqm capacity spread across Malaysia, Indonesia, Singapore, and the Philippines. With these investments, Maersk will be able to better serve customers with mega distribution centres that are strategically located, sustainable and equipped with advanced automation to drive increased efficiencies. One of the notable investments will be at the Port of Tanjung Pelepas, located in Malaysia, where it is poised to become a key integrated logistics hub with multi-modal connectivity to simplify our customers' supply chain domestically and connecting to the world. Furthermore, Maersk is also investing in increasing its landside warehouse capacity at Singapore's Changi Airport, with the aim of solidifying its position as Maersk's regional air freight hub.

On landside connectivity, Maersk will invest in significantly increasing its haulage truck capacity in Southeast Asia with the capability to offer greener solutions depending on its customers' needs. It will also pilot biodiesel-based haulage trucks and introduce EV trucks by 2024.

On the ocean and terminal front, Maersk continues to invest in expanding its infrastructure across the region through APM Terminals, to support enhanced ocean network design and bring additional transshipment to the region. Additionally, the company is working closely with authorities in the region to explore opportunities in building green fuel infrastructure to support its future green vessel fleet.

Maersk has a presence in four markets in its Southeast Asia Area, including Singapore, Malaysia, Indonesia and the Philippines. With over 5000 employees, the company's extensive network of offices, distribution centres, and production facilities strategically positioned across the area enables it to effectively serve its customers and partners.

Maersk Press Release

ACP, IFC, MAS and Temasek Establish Green Investments Partnership in Asia

Allied Climate Partners (ACP), International Finance Corporation (IFC), the Monetary Authority of Singapore (MAS) and Temasek announced today the intent to establish a green investments partnership to address climate finance gaps and increase the bankability of green and sustainable projects in Asia, with an initial focus on Southeast Asia.

The four parties said in a joint statement that developing Asia needs $1.7 trillion annually in infrastructure investments till 2030 to maintain growth momentum while meeting its climate goals.

However, they opined that many green infrastructure projects are only marginally bankable, and unable to attract commercial financing on their own merits.

They noted that these gaps are most acute in the project development and construction phases.

According to the statement, ACP, IFC, MAS and Temasek have signed a Memorandum of Understanding (MOU) to bridge gaps in the region's sustainable infrastructure financing needs through the deployment of blended finance, crowding in both concessional capital from the philanthropic and public sectors, as well as private capital towards such projects.

The partnership aims to identify and develop a pipeline of investments in sectors including renewable energy and storage development, electric vehicle infrastructure, sustainable transport, water and waste management.

The MOU was signed at the 28th Conference of the Parties (COP28) to the United Nations Framework Convention on Climate Change.

According to the statement, the parties are committed to delivering on environmental and social goals, which include meeting the region's carbon reduction targets, creating jobs, uplifting livelihoods, and building community resilience to mitigate the impact of climate change.

Other critical components for bringing a project to bankability, including advisory and structuring support, technical assistance, and sustainability and impact management support, will also be provided as needed to help bring project to financial viability.

The partnership will reference global best practice standards, including impact guidelines and safeguards.

Under the partnership, ACP will provide origination and technical support, including through catalytic, early-stage financing in key countries across the region.

IFC, the largest global development institution focused on the private sector in emerging markets and a member of the World Bank Group will support the initiative with pre-investment advisory and co-development expertise, industry knowledge, environmental and social best practices, transaction structuring expertise, cross-regional experience, and capital mobilization capabilities.

MAS will convene its networks across Singapore's international financial centre as well as Singapore's strong infrastructure and sustainable finance and professional services ecosystem, and build on ongoing industry work in green and transition taxonomies to support the partnership.

Temasek will leverage its network of portfolio companies and partners across its ecosystem including Pentagreen Capital, a joint venture with HSBC, for origination and investment opportunities.

According to the statement, all parties will consider opportunities to provide appropriate financing that can in turn catalyze and crowd in other concessional and commercial capital providers. ACP, IFC, MAS and Temasek also welcome the support of stakeholders across the public and private sectors to provide an enabling environment to support efforts to improve the bankability of green and sustainable investments in the region.

ACP is a philanthropic investment organization with a mission to accelerate the climate transition and improve livelihoods in emerging economies by increasing the flow of capital to bankable, climate-related projects and businesses.

The organization selects regional investment managers in emerging economies and supports them with first-loss capital, expertise, and the mandate to address a critical financing gap at the early, risk-oriented stages of the development process for climate-related projects and asset-oriented businesses.

IFC is the largest global development institution focused on the private sector in emerging markets. The institution works in more than 100 countries, using its capital, expertise, and influence to create markets and opportunities in developing countries.

MAS is the central bank of Singapore, with the mission to promote sustained non-inflationary economic growth, and a sound and progressive financial center.

The work on this green investments partnership is part of the Financing Asia's Transition Partnership (FAST-P), a Singapore blended finance initiative in collaboration with key public, private and philanthropic sector partners that aims to mobilize up to $5 billion to de-risk and finance transition and marginally bankable green projects in Asia.

FAST-P brings together stakeholders including multi-lateral development banks, sovereign partners, philanthropic organizations, and the financial sector to support Asia's decarbonization, narrow the financing gap through the mainstreaming of blended finance, and support economic growth and climate resilience in Asia.

Technode Global

Brook Crompton enters in JV agreement with TurboMech Asia and Zhejiang iMotorLinx

Brook Crompton Holdings AWC 0.00% has announced that its wholly-owned subsidiary Brook Crompton Services Technology has entered into a joint venture (JV) agreement with TurboMech Asia and Zhejiang iMotorLinx Technology Co.

The announcement follows the memorandum of understanding (MOU) signed among the three parties announced on Nov 10 to undertake projects and the provision or sale of products and services throughout Asean.

These will include full service electric motor and rotating equipment, Internet of Things (IOT) smart full life cycle solutions and engineering and retrofit solutions for energy saving, through a JV company to be established.

After the commencement of the JV, all three parties will contribute a total of $3 million as consideration for their respective subscription, allotment and issuance of ordinary shares in the JV company at $1.00 per share.

Brook Crompton Services Technology and TurboMech Asia will each have a 45% stake in the JV company, with the remaining 10% going to Zhejiang iMotorLinx.

On the first anniversary of the JV, the parties will increase the issued and paid up share capital of the JV company by $2 million in the same proportions to an aggregate amount of $5 million including the initial investment.

Brook Crompton says the investment in the JV company will be funded by its internal resources.

Based on the company's calculations, had the JV commenced during the FY2022 ended Dec 31, 2022, there would have been no financial effects to its net tangible assets (NTA) per share or earnings per share (EPS).

The Edge Singapore

Presight AI and TOTM Technologies form JV for Next-Generation Digital ID Solutions

Presight, a Big Data Analytics and AI player based in the UAE, has partnered with Singapore's TOTM Technologies Limited, a company specializing in biometrics and Digital ID solutions listed on the SGX, to deliver Digital Identity Management and Biometrics AI solutions to their customers in the MENACA region.

The official sealing of this promising joint venture took place during the Gitex 2023 event on 18 October 2023 and featured the presence of:

- H.E. Kamal R. Vaswani (right), Singapore's Ambassador to the UAE, alongside the CEOs of the collaborating firms
- Thomas Pramotedham (centre) representing Presight and
- Pierre Prunier (left) from the TOTM Technologies Limited

Presight AI Holding PLC operates as a data analytics firm. Its activities include innovation and artificial intelligence research and consultancies and providing other information technology and computer services. The company was founded on December 12, 2022 and is headquartered in Abu Dhabi, United Arab Emirates.

On top of that, Presight AI, a direct subsidiary of G42, has successfully launched its successful IPO in ADX on March 2023 and boasts of a big market capitalization of $13.741 Billion AED (~$5.14 Billion SGD).

The company combines big data analytics powered by AI with human expertise to solve real-world challenges in every sector and at any scale, creating tangible benefits for business and society. Presight's omni-analytics platform 'TAQ' leverages all-source data to support insight-driven decision-making.

With a unique blend of big data mastery, analytical finesse, and AI capabilities, Presight caters to businesses of all sizes, across various sectors, with a primary focus on fostering positive societal and economic impacts.

The backbone of Presight's operations lies in its state-of-the-art computer vision, AI, and comprehensive analytics platform. This sophisticated engine equips Presight to excel in the nuanced task of interpreting data from diverse sources.

The result is a wealth of insights that drive decision-making, impacting policy formulation and contributing to the creation of safer, healthier, happier, and more sustainable societies.

Smallcap Asia

ECONOMIC COOPERATION

India, Korea celebrate 50th anniversary of diplomatic ties

On December 10, India and Korea commemorated the golden jubilee of their diplomatic ties, marking five decades of a relationship that has traversed a diverse terrain of experiences. Over the past half-century, this bilateral association has weathered numerous fluctuations, witnessing both peaks and troughs.

Despite India's pivotal role in halting the Korean War, the ensuing Cold War politics strained ties with both North and South Korea. It was only in 1973 that India could definitively establish diplomatic relations by formally recognizing both Koreas.

However, it is crucial to note that even during the period preceding the establishment of diplomatic ties, India's connections with South Korea were not entirely severed. In fact, prior to the formal diplomatic engagement, India and South Korea were already fostering a trade relationship, with a trade volume approximating US$14 million per year.

The formalization of diplomatic ties served as a catalyst, significantly propelling the nascent trade relations to unprecedented heights. This pivotal moment ushered in an era of rapidly accelerating economic ties between the two nations.

The impact of this diplomatic milestone is exemplified by the remarkable growth in bilateral trade, surging more than 1900-fold over the last five decades. As of 2022, trade volume has soared to an impressive $27.8 billion, a testament to the resilience and dynamism of the India-Korea relationship.

At present, major South Korean conglomerates, including Hyundai Motor, POSCO, LG Electronics and Samsung Electronics, have entrenched themselves in the Indian market, operating on a substantial scale.

The intertwining of economic interests and diplomatic endeavors stands as a beacon, illuminating the substantial strides made by India and South Korea in their enduring partnership.

Chilly ties

The transformation from chilly diplomatic relations to a thaw in ties between India and South Korea unfolded against the backdrop of the Cold War era. Throughout these years, the bilateral relationship found itself relegated to the back burner, with the two nations aligning with opposing camps.

While South Korea became integrated into the US-led alliance system in the region, India gravitated toward the Soviet Union. The prevailing political considerations during this period hindered any attempts to rebuild ties between the two countries.

Economically, the divergence was stark. India, following socialist economic policies, stood in stark contrast to South Korea's export-led strategy rooted in a liberal economic system. The ideological disparities left little common ground for collaborative efforts.

Consequently, India's initiative to establish ties in 1973 was initially perceived merely as a diplomatic gesture, with little expectation of substantial progress. This status quo persisted until the collapse of the Soviet Union in 1990, during which the ties between the two nations saw limited improvement.

The abrupt demise of the Soviet Union and the conclusion of the Cold War marked a pivotal turning point, liberating both South Korea and India from the shackles of superpower rivalry. Impressed by the rapid economic growth of East Asian countries, Asian leaders, particularly those in India, began taking a keen interest in the success stories of South Korea and Japan.

Asia Times

Kazakhstan to Chair Central Asia Regional Economic Cooperation Program in 2024

Kazakhstan will take over as chair of Central Asia Regional Economic Cooperation (CAREC) Program from Jan. 1, 2024 after Georgia, reported the National Economy Ministry's press service on Dec. 1.

Deputy Minister of National Economy and National Coordinator of the CAREC Program from Kazakhstan Abzal Abdikarimov took part in the 22nd CAREC Ministerial Conference on Nov. 30 in Tbilisi.

The event was attended by ministers and high-level officials from CAREC member states, including Azerbaijan, China, Georgia, the Kyrgyz Republic, Mongolia, Pakistan, Tajikistan, Turkmenistan and Uzbekistan.

The conference participants endorsed the Regional Action on Climate Change: a Vision for CAREC to "help countries implement their commitments under the Paris Agreement and the Sustainable Development Goals by promoting regional actions for energy transition, decarbonization, innovative financing solutions, and climate-resilient infrastructure and policies."

The sides welcomed the concept of the CAREC Climate and Sustainability Project Preparatory Fund (CSPPF), which will help address the financing gaps in achieving climate change goals through preparation and readiness of bankable climate-related regional projects for CAREC countries, according to the joint ministerial statement.

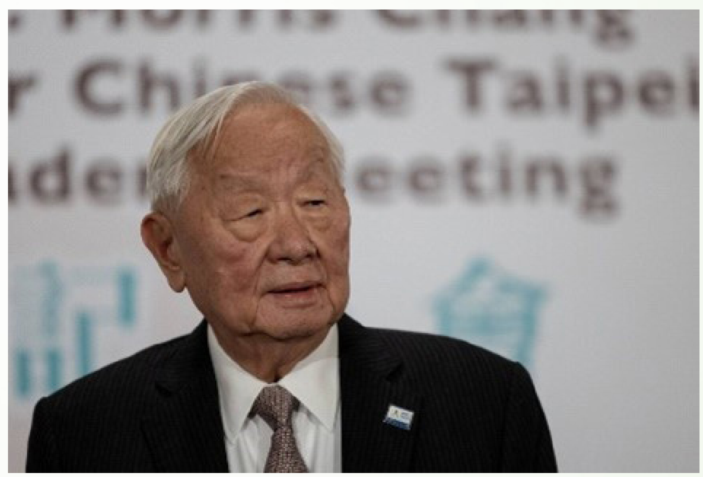
Participants also reviewed the progress in implementing the CAREC 2030 Strategy across CAREC's five clusters and addressed diversification of trade flows and transit transport routes in the CAREC region.

"Due to the geopolitical situation, the role of TMTM in ensuring transit flows between Europe, Central Asia and China has increased along the east-west route. Within the Middle Corridor, there is growth in cargo transportation through the seaports of Aktau and Kuryk, and growth in container traffic," Abdikarimov said.

The 22nd CAREC Ministerial Conference marked 22 years of cooperation among member countries.

Astana Times

Kishida seeks closer ties with Taiwan and cross-strait peace



Prime Minister Fumio Kishida said that Japan wants to expand cooperation and exchanges with Taiwan during a meeting with the island's representative at the APEC multilateral forum, according to the Japanese government.

Meeting on the fringes of the Asia-Pacific Economic Cooperation summit in San Francisco, Kishida told Morris Chang that a peaceful resolution of issues related to the Taiwan Strait is important, the Japanese Foreign Ministry said.

"Taiwan is an extremely important partner and good friend that shares fundamental values, and has close economic ties and people-to-people exchanges" with Japan, Kishida was quoted by the ministry as saying.

Their meeting came a day after Kishida agreed with Chinese leader Xi Jinping to build "mutually beneficial" bilateral relations despite differences over a slew of issues.

At the meeting with Xi, he also underscored the importance of peace and stability in the strait.

Chang, the founder of Taiwan Semiconductor Manufacturing Co., also expressed hope for deeper ties with Japan, according to the ministry.

China views Taiwan as a renegade province to be unified with the mainland, by force if necessary. Japan has a nongovernmental, working-level relationship with Taiwan and maintains that cross-strait issues should be resolved peacefully through dialogue between China and Taiwan.

Chang also said that he had informal interactions with U.S. President Joe Biden and discussions with Secretary of State Antony Blinken at the summit, but none with Xi.

Chinese-claimed Taiwan, which takes part in the Asia-Pacific Economic Cooperation forum as "Chinese Taipei" and does not send its president to summits, has faced increased military pressure from Beijing, including two rounds of major war games during the past year and a half.

Chang told reporters he had also talked with U.S. Vice President Kamala Harris on the sidelines of the U.S.-hosted event, a replay of their meeting last year in Thailand, where Chang also met Xi.

Chang said he didn't have any exchanges with Xi this year. Given that both Taiwan and China are members, APEC is one of the few global forums where officials from the two sides can interact, even if just to exchange pleasantries.

"My interactions with President Biden (were) of a social, in fact I might say, humorous nature," Chang said.

"With Secretary Blinken, I mainly conveyed our strong desire for regional peace and prosperity, and also to some extent our very strong desire for increasing the supply resiliency," he said.

Chang said his conversations with more than 10 APEC leaders focused on peace and economic development, supply chains and semiconductors.

Chang is retired from TSMC, although he remains influential as the elder statesman of Taiwan's important semiconductor industry.

The United States, like most countries, has no formal ties with Taiwan, but is its most important international backer and arms provider.

Tensions over Taiwan featured in Biden's meeting with Xi earlier in the week, when the Chinese leader relayed conditions under which Beijing would use military force toward the island.

The White House has not elaborated on those conditions, but Biden asked Xi to respect Taiwan's presidential election process next year, according to a U.S. official.

Chang called the Biden-Xi talks a "good meeting."

"It was good news that they resumed the military communications, and I think that it should help to reduce the tension between the United States and China. And it should increase the stability of (the) Taiwan Strait," he said.

China's Commerce Minister Wang Wentao expressed concern in San Francisco over U.S. curbs on semiconductor exports to China, implemented by Washington to prevent advanced American technology from being used to strengthen the Chinese military. U.S. officials have sought to patch possible loopholes in the restrictions to prevent Beijing from circumventing them.

Chang said he supported those U.S. export controls on China.

"How effective they are is a different question."

Japan Times

Sweden to deepen cooperation with South-east Asia in new trade strategy

Sweden announced a new trade and investment strategy for South-east Asia as part of its plans to deepen cooperation with like-minded partners, including Singapore.

"We will be focusing even more on this part of the world, particularly when it comes to green transition and digitalisation, so there is a perfect fit," said Mr. Johan Forssell, Sweden's Minister for

Swedish Minister for International Development Cooperation and Foreign Trade Johan Forssell in Singapore for the Sweden Indo-Pacific Business Summit on Dec 5.

International Development Cooperation and Foreign Trade.

He was referring to Swedish expertise in areas sought after by South-east Asian countries to meet targets for green buildings and the digital economy.

In Singapore on Dec 5 to attend the Sweden Indo-Pacific Business Summit, Mr. Forssell led a business delegation of 51 Swedish companies keen to expand their footprint in the region. They included fashion giant H&M Group, tech firm Ericsson, carmaker Volvo and medical tech company Getinge.

Bilateral trade between Sweden and South-east Asia grew from 21 billion kronor (S$2.7 billion) in 2017 to 34 billion kronor in 2022. Sweden's imports and exports to Singapore also increased to 4.04 million kronor in 2022, up from 2.92 million kronor in 2018.

Asked if the focus on South-east Asia is a response to the intensifying rivalry between the United States and China, Mr. Forssell said the country is "more driven by the fact that this is the region where most things are happening nowadays".

Swedish companies also tell him that they see great potential in South-east Asia, added Mr. Forssell.

"We are just like you. We are driven by doing a lot of trade, we believe in having more free trade agreements, more of a rules-based world order and doing business between like-minded nations," he told The Straits Times, referring to Singapore. "So this is more testimony to the importance of the region and the economic potential that we see here."

A Volvo subsidiary, for one, launched its first fully electric construction machines in South-east Asia at a gala event in Singapore in June, with plans to sell them to the wider regional market. H&M, meanwhile, is working with Singapore's DBS Bank on financing solutions that help garment factories improve their energy efficiency.

Mr. Heng Swee Keat, Singapore's Deputy Prime Minister and Coordinating Minister for Economic Policies, said the Republic is keen to work with Sweden to develop sustainability-related capabilities in Singapore and widen the range of sustainable finance solutions for the Asian market.

Speaking at the Sweden Indo-Pacific Business Summit, Mr. Heng added that Singapore's Nanyang Technological University will collaborate with Sweden's Stockholm School of Economics (SSE) on an executive Master of Science course in sustainability management.

This will help to meet growing industry needs for such expertise.

Each year, 300 to 400 Swedish students come to Singapore on exchange programmes, according to the Swedish Embassy here. This is out of 1,000 Swedish exchange students in South-east Asia.

"These exchange students are probably tomorrow's business leaders," said Mr. Forssell, who graduated from SSE and has friends there who spent six months in Singapore as exchange students.

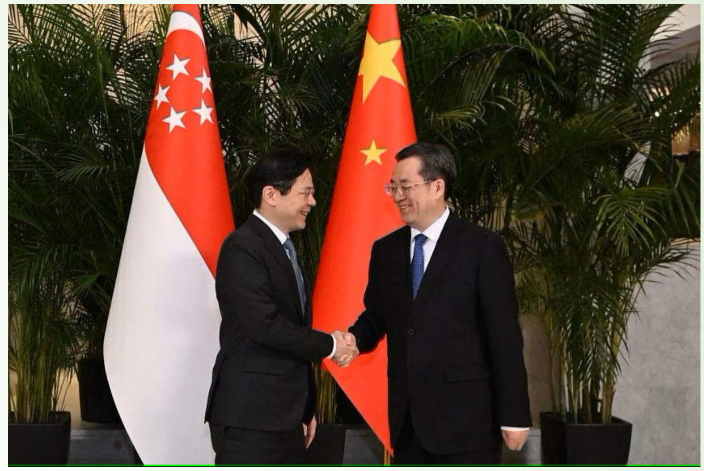
"Some of them might even turn up in politics, just like I did. So from that perspective, it is important to be here to fully understand the environment and, very early on in their careers, take into account all the business opportunities that are here in Singapore and the region as a whole."

Straits Times

Upgraded free trade pact, mutual visa-free regime for Singapore and China

People and business flows between Singapore and China look set to expand, with an upgraded free trade pact that gives Singapore firms greater access to China's services sectors.

A new visa-free arrangement is also expect-



ed to kick in from early 2024, allowing Singaporeans and Chinese nationals to visit the other country for up to 30 days with no need for a visa.

Both announcements at the 19th Joint Council for Bilateral Cooperation (JCBC), along with more than 20 memorandums of understanding (MOUs) and agreements inked, put flesh on the relationship that was upgraded in April, heralding what both sides said is a new era of cooperation.

The visa-free arrangement, for instance, will "enable more people-to-people exchanges, thereby fortifying the bedrock of our bilateral relations", Deputy Prime Minister Lawrence Wong said on Dec 7 at the top bilateral forum which he co-chairs.

His Chinese counterpart, Vice-Premier Ding Xuexiang, said that such exchanges have become "even more active" post-pandemic. There are now over 40,000 students from China studying in Singapore, he added.

Currently, China passport holders have to apply for a visa to enter Singapore. Singaporeans can visit China for up to 15 days visa-free.

"This year has been particularly significant in the development of Sino-Singapore ties," Mr. Ding said. "I believe that through our efforts, this meeting will bear fruitful results."

In April, Singapore and China upgraded bilateral relations to an "all-round, high-quality, future-oriented partnership".

"This upgrade is not just a change in name. It reflects our shared aspirations to set more ambitious goals in our cooperation between our two countries," said DPM Wong.

"And we have projects that truly reflect the key elements of our partnership, which is one that is comprehensive and of all-round, high quality, as well as future oriented."

Noting that this is the first JCBC since the upgrade, DPM Wong said the meeting is also significant as it marks the 15th anniversary of the Tianjin Eco-City project, the two countries' second government-to-government project after Suzhou Industrial Park.

"The Eco-City is a visionary project that seeks to develop a model of city development that is environmentally sustainable, and we set about doing this even before environmental issues like climate change became a key global agenda."

He was personally involved in the development of the Tianjin Eco-City for a number of years when he was minister for national development. "It is very heartening to come back here and see how far the development has progressed these last 15 years," said DPM Wong.

The China-Singapore Free Trade Agreement is China's first comprehensive bilateral free trade agreement with an Asian country. It entered into force in 2009 and was upgraded in 2019.

Under the Further Upgrade Protocol, Singapore firms will secure greater market access to China's services sectors. At the same time, China will lift foreign equity limits – currently set at 50 per cent – for Singapore investors in 22 sectors such as construction, as well as retail and wholesale.

Singapore investors and service suppliers will also benefit from more liberal and transparent rules, making it easier for them to invest and trade in China.

In 2021, China was Singapore's fourth-largest trading partner in services, while Singapore was China's third-largest.

DPM Wong and Mr. Ding agreed that Singapore-China cooperation had been "comprehensive and progressive, evolving over the years", Singa-

DPM Lawrence Wong (2nd from right) viewing a model of the Tianjin Eco-City's Green Innovation Park at the groundbreaking ceremony in Tianjin, China, on Dec 7.

pore's Prime Minister's Office (PMO) said. They agreed on a "forward-leaning" approach, tapping emerging areas like digital trade and artificial intelligence.

On Tianjin Eco-City, both men welcomed new efforts to reinvigorate bilateral cooperation, with a focus on fresh opportunities in the green and digital economy, said the PMO. It will also act as a guide for how other cities can adopt measures and policies that are resilient to climate change.

They noted the impact of global geopolitical tensions, climate change and the digital revolution on lives and livelihoods, and both sides will continue to collaborate on combating these challenges.

Following the JCBC meeting, DPM Wong and Mr. Ding went on a guided tour of Tianjin Eco-City, where they visited the Sino-Singapore Friendship Library and the Sino-Singapore Friendship Garden.

There, they unveiled an orchid named to commemorate the Tianjin Eco-City's 15th anniversary, and planted a spruce tree as a symbol of bilateral friendship.

Both leaders also took part in a ground-breaking ceremony for the Green Innovation Park in its city centre.

DPM Wong later met Tianjin Communist Party chief Chen Min'er, who he said was "an old friend of Singapore".

He noted Mr. Chen had helped to kick-start the third government-to-government project – the China-Singapore (Chongqing) Demonstration Initiative on Strategic Connectivity – in Chongqing when the latter was party chief of Chongqing from 2017 to 2022.

"We have made good progress on that project and now, of course, we are very happy to be able to work with you on Tianjin," he said.

Straits Times

TECHNOLOGY

New portable, non-invasive AI system turns thoughts into text

Australian researchers have developed a portable, non-invasive system that can decode silent thoughts and turn them into text using artificial intelligence (AI).

The technology could aid communication for people who are unable to speak due to illness or injury, including stroke or paralysis.

It could also enable seamless communication between humans and machines, such as the operation of a bionic arm or robot.

Researchers from the GrapheneX-UTS Human-centric Artificial Intelligence Centre at the University of Technology Sydney (UTS) who developed the system claimed it to be a "world-first".

In the study, participants silently read passages of text while wearing a cap that recorded electrical brain activity through their scalp using an electroencephalogram (EEG).

The EEG wave is segmented into distinct units that capture specific characteristics and patterns from the human brain. This is done by an AI model called DeWave developed by the researchers.

DeWave translates EEG signals into words and sentences by learning from large quantities of EEG data.

"This research represents a pioneering effort in translating raw EEG waves directly into language, marking a significant breakthrough in the field," said Professor C.T. Lin, Director of the GrapheneX-UTS HAI Centre.

"It is the first to incorporate discrete encoding techniques in the brain-to-text translation process, introducing an innovative approach to neural decoding. The integration with large language models is also opening new frontiers in neuroscience and AI," he said.

Previous technology to translate brain signals to language has either required surgery to implant electrodes in the brain, such as Elon Musk's Neuralink, or scanning in an MRI machine, which is large, expensive, and difficult to use in daily life.

These methods also struggle to transform brain signals into word level segments without additional aids such as eye-tracking, which restrict the practical application of these systems.

The new technology is able to be used either with or without eye-tracking. The new research was carried out with 29 participants. This means it is likely to be more robust and adaptable than previous decoding technology that has only been tested on one or two individuals, because EEG waves differ between individuals.

The use of EEG signals received through a cap, rather than from electrodes implanted in the brain, means that the signal is noisier.

The translation accuracy score is currently around 40 per cent, which the team hopes to scale upto 90 per cent. The study was selected as the spotlight paper at the NeurIPS conference, a top-tier annual meeting that showcases world-leading research on artificial intelligence and machine learning, held in New Orleans, US.

The Statesman

POLICY UPDATES

Australia

Australia to halve immigration intake, toughen English test for students

The Australian government says it will halve the migration intake within two years in an attempt to fix the country's "broken" immigration system.

It aims to slash the annual intake to 250,000 - roughly in line with pre-pandemic levels - by June 2025.

Visa rules for international students and low-skilled workers will also be tightened under the new plan.

Migration has climbed to record levels in Australia, adding pressure to housing and infrastructure woes.

But there remains a shortage of skilled workers, and the country struggles to attract them.

Unveiling a new 10-year immigration strategy at a media briefing, Home Affairs Minister Clare

O'Neil said the migration system had been left "in tatters" by the previous government.

A review earlier this year found the system was "badly broken" - unnecessarily complex, slow and inefficient - and in need of "major reform".

A record 510,000 people came to Australia in the year to June 2023, but the minister said her government would "bring numbers back under control" and reduce the annual migration intake by around 50%.

Among the new measures are tougher minimum English-language requirements for international students, and more scrutiny of those applying for a second visa - they must prove that any further study would advance their academic aspirations or their careers. There are some 650,000 foreign students in Australia, with many of them on their second visa, according to official data.

The visa pathways for migrants with "specialist" or "essential" skills - like highly-skilled tech workers or care workers - have also been improved to offer better prospects of permanent residency.

The new policies will attract more of the workers Australia needs and help reduce the risk of exploitation for those who live, work and study in the country, Ms. O'Neil said.

BBC

Cambodia

Cambodia to promote franchises with new law

Cambodia will soon have a Franchise Law as the sector in the country is poised for greater growth, disclosed Suon Vichea, Advisor to the Ministry of Commerce and Director of Intellectual Property Department, yesterday.

Giving the opening remarks at Franchise Malaysia, a seminar on franchise development at Sun and Moon Riverside Hotel in Phnom Penh, Vichea said that franchise business is widespread in the Kingdom now and it has become a popular strategy for business expansion by exploiting the benefits of Intellectual Property (IP).

Vichea noted that Cambodia has a strong and functional IP regime and is therefore ideal for franchises to thrive. "The laws and regulations conforming to international intellectual property law are already in place to provide an effective legal framework for intellectual property protection for both Cambodian national and foreign national to commercialize their IP assets," he said.

Until the promulgation of the Franchise Act, a franchise agreement recorded at the Ministry of Commerce is applicable for all parties.

Vichea also stressed that despite the growing number of franchise businesses in Cambodia, there is still a big room for halal-related food services and urged Malaysian franchisors and Cambodian businesses to look into this area.

"As we are aware, Cambodia's religious demography is made up of a noticeable percentage of Muslims. This is where the investor shall consider supplying the services to meet the local demand and that of international Muslim tourists," he said.

Muhammad Naeim Ahmad, First Secretary at the Malaysian Embassy in Cambodia, said that relations between Malaysia and Cambodia are getting stronger each day and the presence of a 6,000-strong Malaysian diaspora in Cambodia is an indication of the growing ties.

Welcoming the franchise trade mission, Naeim said this would help promote entrepreneurship and generate economic prospects. The Malaysian Embassy will continue to extend its helping hands in making such endeavours a reality, he added.

Khmer Times

Japan

Japan plans to ease ride-hailing rules

Japan is moving to lift long-standing restrictions on the ride-hailing industry. A government plan would allow drivers of private vehicles to take fares, but only if they operate under the authority of taxi firms.

NHK has learned that the government is drawing up a draft policy based on a series of proposals by a panel of experts.

The policy would allow people who don't have a taxi driver license to take on customers in urban areas and sightseeing spots.

But they would only be allowed to operate in places and hours that are impacted by taxi shortages. The government plans to finalize the policy by next March and put it into effect soon after that.

The expert panel discussed the possibility of allowing businesses other than taxi firms to enter the industry, but did not reach a conclusion.

NHK

Korea

South Korea welcomes new rules easing chip tool shipments to China

South Korean Minister for Trade Ahn Duk-geun (Photo by Ahn Seong-bok)

New U.S. trade rules that will let major South Korean companies keep producing semiconductors in China are a "very, very significant measure" for business, Ahn Duk-geun, South Korean minister for trade, told Nikkei Asia in an interview.

In October, the U.S. Department of Commerce announced that flagship South Korean companies Samsung Electronics and SK Hynix had been deemed "validated end-users (VEU)," a designation that makes it simpler to ship equipment from the U.S. to their factories in China.

VEU status gives companies "general authorization" to ship certain items, rather than having to apply case by case. The U.S. grants the status after conducting a review to ensure compliance with national security regulations.

In October 2022, Washington announced broad restrictions on sales of semiconductor equipment to China, in a move intended to hinder that country's ability to produce high-end chips. South Korea, a U.S. ally, pushed for exemptions for companies that operate fabrication facilities in China.

Washington later created a mechanism whereby those companies could gain permission for particular shipments. "If we had to go through these kinds of measures every year, from the company point of view, that would be hopelessly difficult to maintain their business," Ahn said.

China is South Korea's largest trading partner and a key destination for many of its exports, including high-tech items like semiconductors. Many South Korean companies also operate factories in China, where labor is cheaper than at home. At the same time, South Korea's main ally is the U.S., with which it has a comprehensive partnership that dates back to the 1950-53 Korean War.

Ahn also touched on measures his ministry is undertaking to minimize the negative effects of restrictions on exports of graphite from China, saying that discussions are ongoing with China at both the national and local government levels.

Graphite is used in the production of EV batteries, a key sector in South Korea. The announcement from Beijing followed the announcement by the U.S. of updates to its controls on shipments of advanced computing integrated circuits that can be used to produce semiconductors.

Following the Asia-Pacific Economic Cooperation forum earlier this month in San Francisco, the Chinese government organized events for South Korean companies to receive information on how to comply with the restrictions, Ahn said.

He added, however, that South Korea is also looking for alternative sources of graphite, including from Tanzania and Mozambique, to reduce its reliance on China. The country is also working to boost domestic production of artificial graphite as a substitute.

"The Korean government thinks that China is still a very important economic partner," Ahn said. "In all channels, we are reaching out to China and trying to stabilize our economic relationship."

Nikkei Asia

New Zealand

New Zealand passes law returning central bank to single inflation mandate

New Zealand passed legislation returning the central bank's mandate to a sole focus on inflation, removing the need to take employment into account when making monetary policy decisions.

The New Zealand government, which was sworn in earlier this month, campaigned on bringing inflation down and said key to this was making a change to the legislation that governs the priorities of the Reserve Bank of New Zealand (RBNZ).

In 2018, the central bank was tasked with a dual mandate of targeting low inflation and full employment, but it now reverts back to a focus on just low inflation under the newly passed RBNZ (Economic Objective) Amendment Bill.

"Over time, a single focus on price stability is the best way to achieve strong, consistent growth in employment," New Zealand's Finance Minister Nicola Willis after the passage of the bill.

The bill must now receive royal assent from the country's governor general, which generally happens within seven days of parliament passing it and is just a formality and will then immediately come into effect.

This means it will be in place

when the Monetary Policy Committee next meets in February for its cash rate decision.

"The amendment is consistent with advice the Reserve Bank has given in the past and helps to reiterate our focus on achieving low and stable consumer price inflation," central bank board chair Neil Quigley said.

The change to the mandate is seen by markets as hawkish at the margins but unlikely to drastically impact monetary policy decisions in the short term.

The government has also issued a new charter, which sets out decision-making processes and transparency requirements for the monetary policy committee.

Under this charter, the RBNZ policy board will need to spell out a specific time frame for when inflation would be returned to the target band of 1% to 3% and specifically the midpoint of the band, and provide reasons for the assessment. Previously, they did not have to give guidance on the time frame, although under law they had to return it to within the target band over the "medium term."

While employment has also been removed from the charter, the RBNZ is still required to explain the impact of monetary policy on the sustainability of house prices.

Reuters

Philippines

Marcos signs 2 pet bills – PPP code and Internet Transactions Act – into laws

platforms to have representatives in Nepal to address user concerns and promptly handle objectionable content.

Companies operating these

platforms must establish an office or designate a focal person in Nepal within three months of the directive's enforcement. Non-compliance with these regulations risks platform shutdowns. The directives also include a 19-point not-to-do list for users on platforms such as Facebook, X, YouTube, and Instagram. President Ferdinand Marcos Jr. signed two priority bills into law on December 5, while in isolation due to his COVID-19 illness.

President Marcos said the measures – the Public-Private Partnership (PPP) Code of the Philippines and the Internet Transactions Act of 2023 – "show the country's commitment and readiness to accelerate its development and to embrace the digital economy."

Republic Act No. 11966 seeks to provide an updated framework for public-private partnership projects.

For years, the legislative bible for PPP projects has been the so-called Build-Operate-Transfer (BOT) Law, but advocates for reform wanted clearer rules on solicited and unsolicited proposals, and more thorough guidelines on joint ventures among others.

The new law establishes clearer rules on collaborations between the government and private companies, in an attempt to bridge gaps in the infrastructure system.

It institutionalizes the PPP Center as well as the PPP Governing Board, which will be the policy-making body for PPP projects. The measure also allows local government units to enter into PPP projects as long as there is no national government undertaking.

PPP projects will be exempt from temporary restraining orders and preliminary mandatory injunction issued by courts except the Supreme Court, unless the matter is of extreme urgency involving a constitutional issue.

Republic Act No. 11967, meanwhile, seeks to establish a robust e-commerce environment in the Philippines through secure online platforms.

The law creates the E-Commerce Bureau under the Department of Trade Industry.

That bureau will be in charge of formulating policies, and ensuring that digital platforms and online merchants – whether Filipino or foreign – are registered with the bureau.

Reuters

Taiwan

New recycling rules set for cellphone providers next April

A set of rules requiring local mobile phone providers to set up recycling facilities and assist users with such practices will be introduced on April 1, 2024, the Ministry of Environment announced last week.

In addition to providing facilities and incentives for recycling, manufacturers and importers must help users delete personal data, the ministry said on Nov. 9.

Manufacturers and importers will also have to set phased targets for circular material use rate (CMU rate), which measures the ratio of recycled, maintained and reused materials to the overall material use.

In this case, the rate is calculated as "circular services" offered by business operators in the current year divided by the average phone sales volume of the previous three years, as stipulated by the new rule under the Resource Recycling Act.

The goal is to raise the phone recycling rate to 15 percent by Jan. 1, 2025 and 30 percent by Jan. 1, 2030, and failure to comply may result in fines between NT$30,000-NT$150,000 (US$920-US$4,600), with daily penalties applicable after a deadline assigned, the ministry said.

According to ministry figures, the most recent three-year moving average recycling rate was 9 percent.

Wang Yeuh-bin, a deputy director general of the ministry's Resources Circulation Administration, told CNA that the rules seek to provide greater access to facilities to encourage a reluctant public to recycle old phones.

A previous report indicated that the primary reasons for people's unwillingness to recycle their mobile phones were insufficient incentive rewards (34 percent) and difficulties finding recycling points (28 percent), with the desire to wait until the device is no longer functional and the need for data destruction services each making up approximately 10 percent, Wang said.

Currently, phone recycling services are offered by public cleaning teams, telecommunications retailers and convenience stores, Wang said.

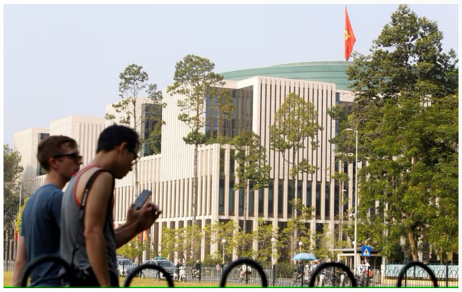
Ministry data showed that more than 6 million smartphones are sold in Taiwan annually, but only 12 percent of this figure were recycled last year.

Around 220,000 kilowatt-hours of electricity would be conserved if 10,000 cellphones were recycled, which would translate to a greenhouse gas emission reduction of about 140 metric tons, according to ministry data.

CNA

Vietnam

Vietnam set to raise effective tax rate on multinationals as part of global deal



Vietnam's parliament is set to approve on Wednesday a top-up tax for multinationals, which will raise the effective rate of the corporate levy to 15% from January in line with a global agreement.

Vietnam had initially planned to combine the approval of the tax with measures to partly compensate large foreign investors affected by the higher levy, including South Korean electronics giant Samsung Electronics Co Ltd (005930.KS) and U.S. chipmaker Intel Corp (INTC.O), but the separate resolution is not on the parliament's agenda.

In a sign of how controversial the new tax is, as it could reduce Vietnam's appeal among foreign companies if not matched with accompanying subsidies, the parliament had initially ruled out a vote in its current session, the last of the year.

But it has eventually added it back to its schedule, with the vote on the tax expected now at the last day of its month-long session.

It is unclear whether additional incentives for some foreign investors could be adopted in this session in separate legislation, without passing a specific resolution on that. The parliament could in any case adopt the incentives resolution in a later session.

Under the new rules being shepherded through by the Organisation for Economic Cooperation and Development (OECD), companies paying less than 15% in a low-tax jurisdiction will face a top-up levy either in that jurisdiction or in their home country from next year.

Vietnam's corporate income tax is already set at 20%, but the country has offered for years effective rates as low as 5% and lengthy zero-tax periods to large foreign investors.

With the new top-up tax, 122 foreign companies will face a steep increase in their tax costs in Vietnam, according to a document prepared by the Vietnamese government which estimated the additional intake for the state at 14.6 trillion dong ($601.05 million) a year.

Reuters