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# Message from the Chairman

My dear colleagues:

It is a pleasure to present to you the Eleventh edition of the “Asian Council on Trade Facilitation” Newsletter. This publication is a compendium of relevant news, reports, and analysis on recent developments in trade facilitation in Asia Pacific.

This issue starts with bad news about the EU-Australia FTA that fortunately Australia compensates with strengthened trade ties with the US. More good news came from Australia’s northern neighbor, Indonesia, as it integrates more deeply in its neighborhood. Furthermore, there is a report that another ASEAN player, Philippines, is building formal economic ties with the UAE, a major trading center in the Middle East.

One report indicates that CPTPP positively impacted Malaysia’s FDI inflows while Iran expands its trade in the EAEU. Moreover, India and Russia are establishing more trading mechanisms to enhance their trade volume as China and Russia de-dollarize their bilateral trade. And to conclude, there is another report about new trade facilitation’s procedures among ASEAN members.

We hope you will find this issue useful and informative.

**R. B. Rauniar**

*Chairman of Asian Council on Trade Facilitation  
CACCI*

# EU-Australia FTA: No Deal

ACCI, 30 October 2023



AUSTRALIA - The announcement that further negotiations have failed to reach agreement on a proposed Australia-European Union Free Trade Agreement after five years was disappointing, the Australian Chamber of Commerce and Industry said.

“We agree with the Australian government that the required standard for a successful trade agreement has not been reached,” ACCI chief executive officer Andrew

McKellar said.

ACCI acknowledged the persistence of Australian negotiators since the discussions commenced in 2018, as well as Minister for Trade, Senator Don Farrell, for not settling on a less than satisfactory deal.

“There are opportunities to expand goods and services trade and to boost investment in the interests of both sides, but it will require a genuine partnership,” Mr McKellar said.

“We hope that further progress can be made in the future towards a mutually beneficial outcome.”

## US emerges as key trade partner amid concerns for geopolitical tensions

ACCI, 18 October 2023



AUSTRALIA - Australian businesses engaged in import and export say the United States has outstripped China as the leading partner for trade amid mounting anxiety over geopolitical uncertainty.

The survey, conducted before the recent outbreak of violence in the Middle East,

found that geopolitical tensions and the need for market diversification were front of mind for Australian traders.

Minister for Trade and Tourism, Senator Don Farrell, will launch the ACCI National Trade Survey today at the National Archives of Australia building in Canberra.

The survey was conducted in partnership with the Australian Centre for International Trade and Investment and supported by ANZ. ACCI chief executive officer Andrew McKellar said the trade disruptions of recent years have been a wake up call for business.

“The survey findings show that trade diversification is occupying traders, not just policy makers,” Mr McKellar said.

“International market risks are taking a range of forms, from geopolitical risks and supply chain risks to the costs of vital inputs.

“Australian exporting businesses are attuned to this, with almost two-thirds saying that geopolitical tensions are an ongoing concern for their business.

“The survey shows that Australian exporters have taken the initiative in seeking new customers and markets to help manage international market risk, although doing so is not always easy.”

The sixth ACCI National Trade Survey was the first to record the United States as the leading market for Australian traders, ahead of China.

“China has been at the top of the list in all previous ACCI National Trade Surveys. This finding comes against the backdrop of China’s imposition of trade barriers on Australian exports, including barley, wine, coal, lobster and beef,” Mr McKellar said.

“It remains to be seen whether this finding will be repeated as those trade barriers are increasingly being reduced or removed.

“This recent experience has sent a clear message to Australian businesses of the risks of having all our eggs in one basket. Diversification of markets is crucial.”

ACCI has made five recommendations to better equip Australia to manage this complex trade environment, including investing in our domestic productivity, modernising our trade systems and reducing red tape, and fostering partnerships between government, chambers of commerce and industry associations to address the critical barriers to trade and take full advantage of opportunities.

Australian Centre for International Trade and Investment (ACITI) executive director Dr Pru Gordon said the collaboration with ACCI had made a significant contribution.

# Diversification needed for trade

ACCI, Andrew McKellar, 17 October 2023



AUSTRALIA - When Prime Minister Anthony Albanese traveled to Washington DC last October 2023 for a high-level state visit, he did so amid turbulent geopolitical and commercial currents.

The turbulence was being felt by Australia's business sector as well.

In 2023's ACCI National Trade Survey, more Australian businesses indicated that they are trading with the United States than

with any other trade partner including, for the first time, China.

This shift to the US reflects the strong and stable trade and investment relationship between our two countries. It remains to be seen whether this is a new trend or an exceptional case following our time in China's diplomatic and commercial freezer.

China will remain an important trade partner for Australian businesses. The fundamentals of our respective economies guarantee this. But there are lessons to learn from the experiences of the recent past.

Australian trading businesses have learnt – some the hard way – that there is a vulnerability in being too reliant on a single trade or supply chain partner. As with any portfolio, overexposure bears a risk.

We do not have the option not to trade. But we do have options in how we confront these challenges. It is encouraging that businesses, not only in the CBDs of our capital cities, do precisely that.

This 2023's survey showed Australian businesses understand these issues not as abstract concepts but as day-by-day, bread-and-butter commercial realities.

Most Australian trading businesses (71 percent) considered the need to diversify markets a concern, and almost as many said the same of geopolitical tensions (60 percent).

Faced with international market risks, businesses report increasing marketing into new or existing markets, finding domestic markets, or developing new products. Governments have a significant role to play in encouraging this diversification, but it is ultimately up to businesses to take the practical steps to achieve that outcome.

Indeed, the findings in the survey suggests that Australian trading companies are highly active in seeking new customers and markets to help manage this market risk.

However, when it comes to managing the risks of supply chain disruptions, the options appear to be more limited, with a majority of companies simply opting to pay more for the services that they require.

It's therefore not surprising that in this 2023's survey yet again, international competitiveness remained the leading concern of Australian trade businesses.

That said, there is a real question about the extent to which Australian businesses are practically taking advantage of the network of trade agreements that they presently have access to.

A consistent finding across this and five earlier trade surveys is that trade agreements are not well understood by many businesses. While agreements such as the China-Australia free trade agreement are better understood, familiarity with newer bilateral agreements is more mixed.

Understanding of the usefulness of large multilateral agreements – such as the Regional Comprehensive Economic Partnership and the Comprehensive and Progressive Agreement on Trans-Pacific Partnership – are also lagging behind. Understanding and accessing the benefits of these existing agreements is clearly an area with upside potential.

One of the greatest pain points identified by businesses in our survey is that they do not have enough information on how to trade in international markets.

Both business and government need to work together to drive greater utilisation of these existing pacts to achieve meaningful economic outcomes that strengthen Australia's economy and create jobs. Australia's business groups, industry associations, and the government must work together to drive this engagement.

Skills shortages represents another barrier. The persistent shortage of skilled labour highlighted in a report by Jobs and Skills Australia earlier this month is one place where the focus should be renewed. This is certainly a strong area of engagement between business and government.

Beyond our trade agreements, it is clear to our chamber network in every state and territory that Australian businesses are finding partnerships worldwide, trading with over 160 countries in 2023 alone.

Business must show proactivity in engaging and deepening trade ties with these markets. It will contribute to our efforts towards diversification.

Finally, securing our supply chains is of crucial importance. 90 percent of respondents identified that they suffered from shipping and logistics challenges, with customs and border crossing costs the second highest concern.

In light of this, ensuring that the government's \$414m investment in the Simplified Trade System reforms delivers a tangible dividend to trade businesses is another. We must keep pace with international developments if we are to remain competitive, including learning from the experiences of our partners in the International Chamber of Commerce.

Making our way in this more complex trade environment will require us to learn the lessons of our recent past and commit to doing what is necessary to meet these new challenges. It will not be easy, but it is nevertheless vital.

**Andrew McKellar is the chief executive officer of the Australian Chamber of Commerce and Industry**

## Azerbaijan, Tajikistan discuss bilateral co-op

**AzerNews, 9 December 2023**



AZERBAIJAN - Azerbaijan's Minister of Economy, Mikayil Jabbarov, and Tajikistan's Ambassador to Azerbaijan Ilhom Abdurahmon discussed bilateral collaboration, Azernews reports.

The Tajik Foreign Ministry said the discussions encompassed the current state and future prospects of cooperation in economics, trade, industry, and transport, including transit cargo transportation.

The sides also addressed investments in industrial and energy sectors. The meeting facilitated an exchange of opinions regarding mutual collaboration in executing joint investment projects. The sides explored the development of new tools to enhance bilateral relations, leveraging a conducive atmosphere and available opportunities.

According to State Customs Committee of Azerbaijan, trade turnover between Tajikistan and Azerbaijan amounted to \$5.183 million from January through October 2023. This figure increased by 26.23 percent compared to the same period in 2022 when it stood at \$4.106 million.

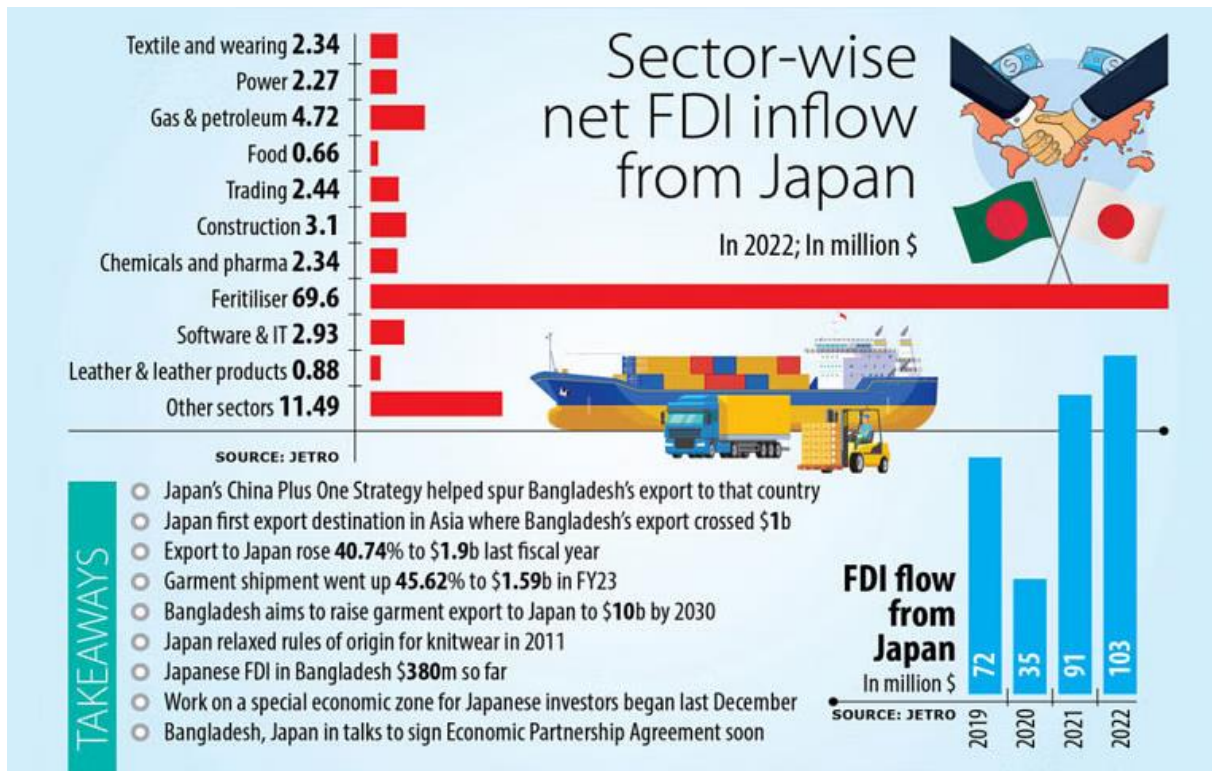


# Japan: a growing source of trade, investment

The Daily Star, 28 December 2023

## Top minister arrives in Dhaka today to discuss partnership deal

BANGLADESH - It all started in early 2008 when the Japanese government announced the "China Plus One Strategy" to cut its over-reliance on the manufacturing behemoth by setting up business operations in other countries.



The move came as the cost of production in China has climbed and there has been a dearth of skilled workforce in a country known as "the world's factory", which sent the profit margin for Japanese investors in China lower.

The China Plus One Strategy worked so well that the shipment of merchandise from Bangladesh, especially garments, has continued to grow at a faster rate.

Apparels, the country's main export item, posted more than 175 percent shipment growth between 2008 and 2010, data from the Export Promotion Bureau (EPB) showed.

In 2008, Japan's retail giant Fast Retailing opened an office in Dhaka to source clothing items for its consumers.



Among the Asian nations, Japan was the first export destination for Bangladesh where earnings crossed the \$1-billion mark in 2015-16. The shipment stood at \$1.32 billion in the 2023.

The higher export growth to the Japanese market, where consumers have long tended to prefer quality consumption, is a testament to the improving standards of goods made in Bangladesh.

The Japanese markets did not disappoint even during the peak of the Covid-19 pandemic in 2019-20 when Bangladesh shipped goods worth \$1.20 billion despite serious disruptions to the global supply chain.

Local exporters registered a 40.74 percent year-on-year growth to \$1.90 billion in 2022-23. It was \$1.35 billion in 2021-22.

Garment shipment grew even higher: earnings surged 45.62 percent to \$1.59 billion from \$1.09 billion in FY22.

Manufacturers have targeted to generate \$10 billion in garment export earnings from Japan by 2030.

Apparel shipment to Japan received a major boost when Tokyo relaxed the Rules of Origin and started allowing zero-duty benefits to the import of knitwear items from the least-developed countries (LDCs) in 2011.

This was a major respite for local suppliers as Japan had maintained a 17 percent duty on knitwear items for many years to protect its domestic industry. Woven items have been enjoying duty preference for a long time.

Another important milestone for the bilateral ties came when former Japanese Prime Minister Shinzo Abe, during his visit to Dhaka in 2014, unveiled the Bay of Bengal Industrial Growth Belt initiative for Bangladesh.

### **A major source of investment**

Over the years, Japan has also emerged as a major investment source for Bangladesh.

The inflow accelerated between 2019 and 2022 when foreign direct investment (FDI) from Japan grew 7.61 percent annually to take the total FDI in the country to \$380 million.

The FDI came mainly in the garment, engineering, construction, healthcare, and motorcycle sectors.

The amount, however, is just 0.1 percent of what Japanese companies have invested in Asia, according to data from the Japan External Trade Organisation (Jetro).

Currently, around 350 Japanese companies are doing business in Bangladesh, up from 245 in 2015.

The investment is expected to rise after the government established a dedicated Japanese Economic Zone at Araihasar in Narayanganj.

The zone, owned jointly by the Bangladesh Economic Zones Authority (Beza), the Japan International Cooperation Agency, and Sumitomo Corporation, opened in December in 2022.

Shaikh Yusuf Harun, executive chairman of the Beza, said they are expecting around \$1.5 billion in FDI at the zone.

He hopes that the commercial production at the factories being set up would begin in February 2024.

According to the Jetro, Japanese investments will come in the areas of automobiles, consumer goods, IT, textiles and chemicals.

Bangladesh, however, is yet to benefit from the relocation of Japanese companies located in China. About 33,050 Japanese firms with more than \$57 billion in investments have begun moving to various Asian countries and elsewhere, the state-run agency said.

According to a Jetro survey, 44.4 percent of the companies aim to expand in 2024 or 2025.

The confidence of Japanese firms in Bangladesh is even higher with 71.6 percent planning to expand, the highest in the Asia region.

### **Initiative to sign trade deal**

Yuji Ando, chief country representative of the Jetro, said it would be necessary for the business environment in Bangladesh to be improved by addressing the issues facing Japanese companies through an Economic Partnership Agreement (EPA).

"Local rules should be consistent with international rules in order to promote trade and investment."

Ando is optimistic that by creating a competitive investment climate through an EPA, Bangladesh would be the next investment destination for Japanese companies.

With a view to elevating Japanese investments, a joint study was launched in December to ink an EPA.

The survey showed about 85 percent of the local and Japanese companies with operations in both nations want their respective governments to sign a free trade

agreement so that they can continue enjoying duty benefits after Bangladesh graduates from the LDC group in 2026.

Some local companies say the country would lose its competitiveness in Japan without a generalised system of preferences facility if compared with other countries that have struck FTAs with Japan. This is because the tariff will go up between 7.4 percent and 10.9 percent on garment exports after the GSP expires.

At a time when both sides looking to expand trade and investments, Yasutoshi Nishimura, minister for economy, trade and industry of Japan, was scheduled to visit Dhaka.

During the visit, he planned to attend a business summit on Bangladesh-Japan trade at the Pan Pacific Sonargaon Hotel.

Nishimura was scheduled to meet Commerce Minister Tipu Munshi to discuss the joint study of the EPA, which covers not only tariffs but also trade and investment components.

## Indonesia sign MoU for improved trade facilitation, finance

**The Phnom Penh Post, May Kunmakara, 08 August 2023**



*The MOU signing event, between Non-Bank Financial Services Authority (FSA) and the Indonesia Financial Services Authority (Otoritas Jasa Keuangan OJK) on August 7 2023*

CAMBODIA - Cambodia and Indonesia signed a Memorandum of Understanding (MOU) on financial services and to facilitate better business, trade and investment for both countries.

The MoU was signed by Mey Vann – head of the General Department of Financial Industry under the Ministry of Economy and Finance, and who is also secretary-general for the Non-Banking Financial Services Authority (NBFSA) – and Agus Edy Siregar, deputy commissioner for International Affairs, Anti-Money Laundering and Terrorism Financing of the Indonesian Financial Services Authority, in Phnom Penh on August 7 2023.

Cambodia Chamber of Commerce (CCC) vice-president Lim Heng told The Post on August 8 that the cooperation is a new effort by both countries' financial sectors to give confidence to investors to work together, invest or do business in Cambodia and Indonesia.

“Indonesia is a good trading partner for our country. We receive [a lot of] foreign direct investment in various fields from them every year. Therefore, the MoU provides more confidence and trust to the businesspeople and investors of both countries,” he said.

In addition, Indonesia is one of the most populous countries in ASEAN, which means there is high demand for goods and services, thus, Cambodia is a good place for Indonesia to invest in, given the amicable investment climate in the Kingdom.

“Cambodia has an open economy. There is no discrimination between local and foreign investors, so Indonesia can look at the Kingdom as an investment destination, particularly in the agricultural sector. They can also export from Cambodia or supply locally under the regional and global free trade agreements that the Kingdom has made,” he said.

Hong Vanak, an economics researcher at the Royal Academy of Cambodia, told The Post that with geographical proximity, both countries are members of ASEAN and the Regional Comprehensive Economic Partnership Agreement (RCEP).

He observed that there is a big gap in Cambodia exports to Indonesia, which requires the government and private sector to work together to attract more Indonesian investors to Cambodia, as well as find potential products that are in high demand for export to Indonesia.

“The high amount of goods that Indonesia brings to Cambodia may be a result of products used as raw material or ingredients to complement the production or processing in Cambodia for export. Also, it is possible that because Indonesia is a member of the Group of 20, therefore the country's export capacity is also very large,” he said.

On the other hand, the number of Indonesian tourists and investors in Cambodia is large, which has seen an increase in the import of halal food from Indonesia.

According to Indonesian Ambassador to Cambodia, Sudirman Haseng, in a Cambodia-Indonesia investment dialogue in 2022, the Indonesian Embassy would cooperate with the Indonesian Chamber of Commerce in Cambodia to boost the exchange of goods and encourage its investors to come and invest in Cambodia more.

The General Department of Customs and Excise stated that in 2022, bilateral trade totaled \$948.5 million, up 48.3 percent from \$639.7 million in 2021.

Of that, goods imported from Indonesia amounted to \$911.7 million, rising by 50 percent, and goods exported from Indonesia were only \$36.839 million, an increase of 15.9 percent.

Based on the data, Cambodia recorded a deficit of \$874.9 million.

In 2022, the Ministry of Tourism revealed a total of 2.3 million international tourists visited Cambodia, which was a surge of 1,058.6 percent from 2021.

Of these, 75,653 were Indonesian visitors, up 799.6 percent from 2021. Indonesian tourists account for 3.3 percent of the total number of international tourists in 2022.

## **Regional economic integration underpins Indonesia's transformation**

**The Jakarta Post, Josa Lukman, 22 November 2023**

INDONESIA - Indonesia is situated in the middle of the dynamic Indo-Pacific region, and deepening regional economic integration is a strategic objective because it underpins future stability and prosperity. This was a priority for Indonesia while serving as chair of ASEAN in 2023. It also guided President Joko "Jokowi" Widodo's recent visit to the United States to participate in APEC Leaders' Week.

During the week, the Indonesia-US Comprehensive Strategic Partnership (CSP) was launched, which elevates the relationship between the two major democracies and economies. The partnership sets a pathway for deeper linkages between governments, businesses and people, even amid rising geopolitical uncertainty. The CSP has a forward-looking economic agenda to advance trade and investment interests through bilateral and multilateral mechanisms. It highlights critical sectors for joint efforts, particularly boosting innovation and technological collaboration in energy, health and agriculture.

Swift progress in these critical sectors could support productivity growth and ensure competitive industries in both economies, given their different comparative advantages



and shared interests in achieving sustainable economic development. For Indonesia, the benefits of the new approach include boosting technology-led investment to develop and grow new growth industries and enable more value-added production. The CSP enables Indonesia to access US technical know-how, which is essential for developing local skills and a talent pipeline. This will equip Indonesia to harness new economic opportunities that are vital to escape the middle-income trap.

New priority areas for cooperation, such as critical minerals and semiconductors, highlight the importance of preparing for future growth industries together. The countries agreed to develop a bilateral action plan to boost quality investment in critical raw materials, ensure resilient supply chains and improve sustainability practices in critical minerals extraction and derivative industries.



They also aim to lay the foundation for negotiating a sector-specific trade agreement. Furthermore, the countries are cooperating on boosting manufacturing and development of semiconductors, which are key components from electronics to electric vehicles throughout the region and global value chains. Diversifying trade and investment is mutually beneficial for the US and Indonesia. It helps to ensure the resilience of value chains and the stability of the global economy, which could well have been a driving force for the Biden administration's decision to endorse Indonesia's request to open accession discussions with the OECD.

During their meeting at the White House, President Jokowi and President Biden also discussed the upcoming national elections and the vital importance of providing opportunities to people and communities in both countries. To achieve this, sustainable and inclusive economic growth and quality employment are shared objectives. Discussions on the Indo-Pacific Economic Framework, a US regional initiative, were also held on the sidelines of APEC Leaders' Week. Partners welcomed considerable progress on the new and comprehensive approach to regional economic engagement, which has been made quickly as the initiative was only launched in May 2022.

IPEF partners share the objective of growing cross-border trade and investment by realizing high standards and cooperation for mutual benefit. The group is ready to



implement the signed IPEF Supply Chains Agreement, and substantially concluded negotiations for the IPEF Clean Economy Agreement, the IPEF Fair Economy Agreements and the Framework Agreement establishing the IPEF Council to oversee the long-term development of the economic community.

This is a testament to the commitment of all IPEF partners to realizing free and fair trade and investment, underpinned by a robust multilateral trading system and rules-based global order to support business certainty. IPEF partners continue building on this momentum to advance trade cooperation.

To be clear, IPEF partners are not discussing a free trade agreement to provide market access or reduce tariffs, other mechanisms do this. In San Francisco, partners, including the US and Indonesia, welcomed swift progress on negotiating the innovative draft of the IPEF Trade Agreement, having already settled on the scope and core chapters on good regulatory practices, domestic services regulation, customs and trade facilitation, as well as sustainable agriculture, inclusivity, technical assistance and economic cooperation. The goal is to eliminate difficult, behind-the-border barriers preventing connectivity and seamless commerce across the region. Low tariffs are no longer the top concern to facilitate trade, yet agreed-upon equal standards determine seamless trade and investment flows to a greater degree.

This is what partners are working on in the IPEF. Ensuring that the benefits of trade and investment are widely shared is fundamental to the framework. Under the new approach, steps are being taken to strengthen domestic policy settings, safeguards and social safety nets so that tangible benefits can be shared among the diverse group of partners, for instance, sharing best practices on public consultation and stakeholder engagement, advancing employment and skills initiatives and supporting SMEs.

Through these measures, IPEF partners seek to empower individuals and communities to achieve a just and inclusive transition, where no one is left behind. Deepening regional economic integration is a decades-long project. Indonesia is actively shaping international economic architecture to support its transformation into an advanced economy.

Moreover, in an era of cooperation and competition, Indonesia is protecting its national interests by pursuing diversification among its priority economic sectors and partners to ensure it remains free and active in years to come. In short, Indonesia's economy is open, and it is time to turn into a producer country instead of relying only on consumption. Meanwhile, its foreign policy guideline is "free and active". This means that if its economy is open, it must be active and free to partner with any country. This article was published in collaboration with Coordinating Ministry for Economic Affairs Republic of Indonesia

# Iran to turn into major trade partner for EAEU: Minister

**ICCIMA, Iran Daily 23 December 2023**

IRAN - Iran will become one of the most important trade partners of the Eurasian Economic Union (EAEU) with the inking of a free trade agreement (FTA) between the two sides, said the union's minister in charge of trade.



Andrey Slepnev made the remarks in a meeting with the Iranian Ambassador to Russia Kazem Jalali, IRNA reported.

He also called the agreement the most important cooperation document between the two sides.

Jalali, for his part, said the FTA is the result of intensive negotiations and the will of the

two sides to develop bilateral relations.

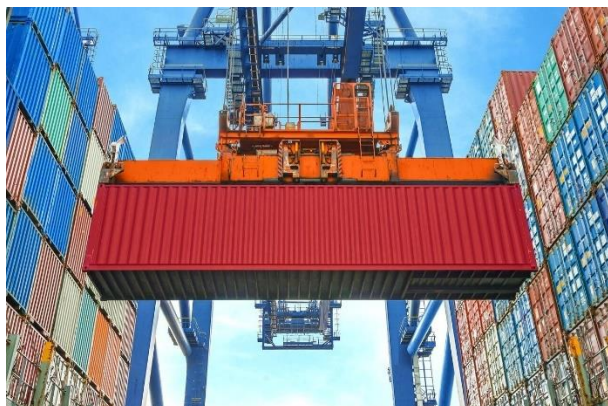
In 2018, Iran and the EAEU inked a preferential trade agreement (PTA), which came into effect on October 27, 2019. The two sides later began negotiations to upgrade the PTA to FTA, after the success of the former. Iran and the five-member bloc are scheduled to sign an FTA in Russia on December 25 2023.

## Iran's export to EAEU members rises 20% in 8 months

**Tehran Times, 6 December 2023**

IRAN - The value of Iran's exports to the members of the Eurasian Economic Union (EAEU) increased by 20 percent in the first eight months of the current Iranian calendar year (March 21-November 21) as compared to the same period in 2022, the spokesman of the International Relations and Trade Development Committee of Iran's House of Industry, Mining and Trade said.

According to Ruhollah Latifi, the Islamic Republic exported 2.778 million tons of commodities worth \$1.074 to the members of the Eurasian Economic Union in the mentioned eight months, IRIB reported.



Exports to the EAEU also increased by 45 percent in terms of weight, according to Latifi.

Iran and five EAEU members traded 5.168 million tons of goods worth \$2.344 billion in the first eight months of the current Iranian year, registering a 33.5 percent rise in weight, and a 14 percent increase in value, year on year, the official said.

Meanwhile, the Islamic Republic imported 2.39 million tons of non-oil goods, valued at \$1.27 billion from the EAEU countries, indicating a 22 and 10 percent hike in weight and value, respectively, compared to the same period of 2022, he added.

The Russian Federation, Armenia, Kazakhstan, Kyrgyzstan, and Belarus were the top destinations for Iranian goods in the mentioned period, respectively.

According to Latifi, more than 84 percent of the weight and 71 percent of the value of Iran's imports from Eurasia and 20 percent of the weight and 39 percent of the value of Iran's exports to this union were related to agricultural, food and livestock products.

Iran and EAEU reached a preferential trade agreement in 2018 based on which about 862 commodity items are currently subject to preferential tariffs.

The agreement came into effect on October 27, 2019.

Back in July, the minister in charge of trade of the Eurasian Economic Commission (EEC) said that the EAEU's cooperation with Iran is actively expanding in various fields, and trade between the two sides has doubled over the past four years.

Andrey Slepnev also said that trade between the union and the Islamic Republic of Iran rose 22 percent in 2022.

The important thing is that bilateral trade exchanges are balanced, that is, almost as much as the Eurasian Economic Union supplies goods to Iran, Iran also exports goods to the member countries of this union, the official noted.

Emphasizing that the EAEU attaches great value to Iranian goods, the minister in charge of trade of the Eurasian Economic Commission said: "Agricultural products now account for 75 percent of the trade exchanges of this union with Iran."

"Industrial goods have a special place in the framework of cooperation between the Eurasian Economic Union and Iran, and therefore, we are developing trade exchanges in the field of minerals, industries and chemicals", he added.

Slepnev further expressed his hope that the trade exchanges of the parties will expand in the field of machinery.

During a meeting between Head of the Islamic Republic of Iran Customs Administration (IRICA) Mohammad Rezvani-Far and Minister in Charge of Customs Cooperation of the Eurasian Economic Commission Eldar Alisherov in Tehran in late April, the two sides explored the ways for increasing customs cooperation to boost the bilateral trade.

During this meeting, Rizvani-Far said: “Although the memorandum of understanding with Eurasia is for three years, the formalities of turning this memorandum into a long-term agreement will be completed soon, and we will follow up on these agreements through approval in Iran’s parliament.”

According to the IRICA head, Iran's trade with Eurasian countries is 3.3 billion dollars annually, which includes over 1.5 billion dollars of Iran's exports to Eurasia and more than 1.7 billion dollars of imports from Eurasia.

He also said: “After the agreement and facilitation, our trade exchanges with this union increased by 32 percent in 2022, and we have set a target in the customs that the figure will increase from 3.3 billion dollars to 10 billion dollars. I think it is quite possible.”

“In the goods transit sector, our trade volume was 1.8 million tons, of which more than one million tons of goods were transited from Eurasia through Iran, and over 700,000 tons of goods were transited from Iran to Eurasia”, the official further announced.

Minister in charge of Customs Cooperation of the Eurasian Economic Commission, for his part called the meeting with the IRICA head a success and said: “We hope that our three-year temporary agreement with Iran will turn into a long-term agreement in the future and more privileges will be considered between this union and Iran.”

He expressed hope that the trade exchanges between Iran and this union be doubled and a trade agreement between the two sides be arranged as soon as possible.

## **Korea-Vietnam Business Forum Successfully Hosted with More than 600 Attendees**

**KCCI, 23 June 2023**

SOUTH KOREA - The Korea Chamber of Commerce and Industry (Chairman Chey Tae-won) held the Korea-Vietnam Business Forum in Hanoi, Vietnam where more than 600 political and business leaders from South Korea and Vietnam attended the forum.

The President of Yoon Suk Yeol and Prime Minister of Vietnam Pam Ming-jing also attended to encourage businessmen from both countries.

Discussion on future cooperation measures in promising industries such as supply chain cooperation, climate change response, and digital economy transformation - Chey Tae-won, Chairman of the Korea Chamber of Commerce and Industry, said, "I hope today's forum will mark a new turning point in friendship and trust between the two countries."

Korean and Vietnamese businessmen have vowed to actively cooperate in various fields such as securing supply chains, responding to climate change, and converting the digital economy to move forward to a new 30 years based on the past 30 years of diplomatic relations.

On the Korean side, some 350 businessmen, including Chey Tae-won, Samsung Electronics Chairman Lee Jae-yong, Hyundai Motor Chairman Chung Eui-sun, LG Chairman Koo Kwang-mo, Lotte Chairman Shin Dong-bin, Deputy Prime Minister and Finance Minister Choo Kyung-ho, and Minister of Trade, Industry and Energy Lee Chang-yang attended.

On the Vietnamese side, more than 250 businessmen attended the event, including Minister of Strategy and Investment Nguyen Qiuong, Prime Minister Tran Ban, Trade Minister Nguyen Hong Zien, Agricultural and Rural Development Minister Le Min Hoan, Vice Foreign Minister Nguyen Min.

The two countries have steadily expanded their exchanges since diplomatic relations in 1992. Vietnam has grown to be South Korea's third-largest trading partner after China and the United States and became the largest trade surplus in 2022. Korea has also become Vietnam's No. 1 foreign direct investment (Foreign Direct Investment). And in 2022, the relationship between the two countries was upgraded to a "comprehensive strategic partner" to mark the 30th anniversary of diplomatic relations.

Chairman Chey Tae-won said, "Vietnam, the best investment destination...Let's make a path to sustainable growth."

Chey Tae-won, chairman of the Korea Chamber of Commerce and Industry, said in a welcoming speech, "Korean companies are looking for more stable and reliable partners at the geopolitical level. Vietnam, free from political and security drafts, is the best investment destination for both efficiency and stability."

Chairman Chey said, "The next 30 years is a time for the two countries to create a new path for sustainable growth based on ESG (environmental, social, and governance) beyond traditional industries."

Global competitiveness of Korea and Vietnam should be enhanced through supply chain, climate change, and digital cooperation.

As a business forum to open a new 30 years, discussions were followed on ways to cooperate in supply chains, climate change, and digital sectors, and to establish a win-win ecosystem between the two countries.

"Korea and Vietnam are building a foundation for win-win cooperation in various fields with the goal of stabilizing the supply chain and enhancing industrial competitiveness," said Choi Joo-ho, head of Samsung Electronics' Vietnam complex.

Park Min-sik, head of Doosan Energy's Vietnamese branch, said, "To cope with climate change, Vietnam is also aiming to achieve Net Zero by 2050, and we are trying to reorganize from existing coal-fired power to renewable energy."

Finally, Kim Hyung-jin, head of Shinhan Bank's Vietnam Futures Lab, said, "In Vietnam, which is growing more than 8% rapidly despite the COVID-19 crisis, the digital sector is expected to account for about 33% of GDP in 2030."

Meanwhile, on the Vietnamese side, the Ministry of Strategy and Investment announced "Vietnam Investment Policy and Promising Industries," followed by the announcement of Vietnamese company VINFAST under the theme of "Future Business Opportunities in Green Transportation."

Lee Seong-woo, head of the Korea Chamber of Commerce and Industry's International Trade Division, said, "Korea and Vietnam are facing an opportunity to create more results than they have over the past 30 years amid changes in global supply chains, climate crises, and digital transformation."

Meanwhile, after the forum announcement session, an MOU signing ceremony was also held to substantially expand future business between companies and institutions in the two countries.

## **FDI grows by RM14.9b in Q3 2023 with the help of CPTPP**

**The Sun, Bernama, 28 December 2023**

MALAYSIA - The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) has helped to boost foreign direct investment (FDI) into the country, with Malaysia's cumulative FDI rising by RM14.9 billion to reach RM914.9 billion at the end of the third quarter of 2023.

In a statement, the minister said the largest recipient of the overall FDI is the services sector (50%), followed by manufacturing (42%).



“Based on data collated by the Malaysian Investment Development Authority (MIDA), 181 new projects valued at US\$2.94 billion, with almost 11,000 potential employment opportunities, were recorded from CPTPP countries between January and September 2023,” he shared.



*Investment, Trade And Industry Minister Tengku Datuk Seri Zafrul Abdul Aziz said FDI from Japan increased by RM4 billion while that from Australia rose by RM1 billion in comparison to 2022*

In terms of trade facilitation, Tengku Zafrul said, the CPTPP has enabled Malaysian exporters and producers to enjoy preferential tariff treatment via the CPTPP certificate of origin (CO), whose utilisation reached 4,482 COs valued at about RM1.58 billion, for the period of November 29, 2022 to October 31, 2023.

The top export destination is Japan, followed by Mexico, Canada and Peru, he noted.

“Compared to the same period in 2022, Malaysia’s total exports to the CPTPP countries for the January-September 2023

period showed a 2% increase for iron and steel products, and also for textiles; while petroleum product exports grew by 15%.

“The growth of Malaysia’s exports to CPTPP countries is expected to grow exponentially when these countries progressively eliminate duties,” he said.

The Ministry of Investment, Trade And Industry (MITI) is urging Malaysian businesses and small and medium enterprises (SMEs) to fully utilise the CPTPP, which promotes trade and investment by facilitating numerous multilateral benefits through various enablers.

Tengku Zafrul said these benefits include access for the export of Malaysian business and professional services, including in legal, engineering, taxation, accounting, and architecture.

“There are also prospects in computer-related services in Australia, Chile, and Mexico; environmental services in Australia, Canada, New Zealand and Mexico; construction in New Zealand and Mexico; and financial services in Peru,” he shared.

Tengku Zafrul highlighted that cross-border mobility for professionals among CPTPP countries can also be facilitated through mutual recognition agreements (MRA).

“After an MRA has been developed, different licensing and qualification procedures will be recognised by the relevant authorities or professional services bodies of the respective CPTPP countries.

“Potential collaborations with professionals from other CPTPP countries could enrich businesses’ pool of expertise, leading to knowledge transfer, talent development and the creation of a diverse Malaysian workforce,” he said.

In addition, Tengku Zafrul said, CPTPP’s e-commerce provisions reduce trade barriers, allowing Malaysian businesses and consumers to benefit from easier access to online trading of goods and services with other CPTPP countries.

This is facilitated by encouraging and enabling cross-border data flow for businesses and SMEs in CPTPP member countries, he said.

“This enablement includes the CPTPP countries’ commitment to not impose ‘localisation requirements’ that would force businesses to build data storage centres or use local computing facilities in CPTPP markets; commitment to not impede companies from delivering cloud computing and data storage services to essential and expanding CPTPP markets; and commitment to cybersecurity, as well as privacy and consumer protection through, among others, each country’s national computer emergency response teams,” he explained.

On another note, he said the CPTPP’s provisions for government procurement (GP) will provide Malaysian businesses equal opportunities to bid for government projects in other CPTPP countries such as Mexico, Peru, and Vietnam.

“In fact, under the GP provisions, Malaysia’s initial and landing threshold for construction services is one of the highest compared to other CPTPP parties. Malaysia was also granted one of the longest transitional periods for construction services,” he said.

According to Tengku Zafrul, the CPTPP also recognises the importance of SMEs through two critical initiatives, namely information sharing, and enabling the SMEs to capitalise on the benefits and opportunities from the CPTPP, with the aim of integrating them into the global supply chain.

“MITI is currently working closely with the Ministry of Entrepreneur and Cooperatives Development (KUSKOP) to improve the data collection of SMEs.

“This is an important step to enable the government to construct a customised supporting mechanism for Malaysian SMEs to join the global supply chain seamlessly, and to have at least 90% of Malaysian SMEs digitalise their business, which is one of the aims of the 12th Malaysia Plan,” he said.

Other CPTPP provisions which are equally important in facilitating SME growth include protection on intellectual property rights (IPR) via a regional standard of protection and enforcement across the Asia Pacific region.

The provisions also include assisting SMEs in overcoming obstacles in the use of e-commerce and encouraging businesses to voluntarily adopt environmental, social and

governance (ESG) principles and standards to ensure a sustainable and resilient industry.

To this end, he said, MITI's newly launched National Industry ESG Framework (i-ESG Framework) will support Malaysian businesses and SMEs to integrate ESG principles systematically and seamlessly into their operations.

Elaborating further, Tengku Zafrul said CPTPP countries have also committed to eradicate bribery and corruption in international trade and investment, providing greater assurance to businesses and SMEs that the smooth movement of goods and services among CPTPP countries can be executed with no hidden cost.

Another significant CPTPP benefit is capacity building, particularly in agricultural, industrial and services sectors, as well as in the promotion of education, culture and gender equality.

"Collaborative efforts can also make it easier for SMEs to compete internationally," he noted. Tengku Zafrul said CPTPP members are currently embarking on a review of the agreement to ensure relevancy, taking into account current economic, ESG and geopolitical developments globally.

"MITI will work closely with other CPTPP countries' working teams to address issues such as supply chain resilience, decarbonisation, emerging technologies, and artificial intelligence, while also strengthening policy implementation and regulations, developing industrial capabilities, and enhancing export promotion.

"The ministry will always ensure that Malaysia's interests will continue to be promoted and safeguarded via the country's membership of all free trade agreements," he added.

## **SIFC transforming Pakistan's Economic Landscape, says Coordinator**

**Daily Times, APP, 25 December 2023**

PAKISTAN - Coordinator for Minister of State and Federal Tax Ombudsman Meher Kashif Younis said that Pakistan's economic landscape had undergone a remarkable transformation, largely because of the establishment of the Special Investment Facilitation Council (SIFC), which had successfully attracted foreign direct investment.

Speaking as the keynote speaker at a seminar on "The Impact of SIFC on Pakistan Economy", held under the aegis of Gold Ring Economic Forum, a strategic think tank, he said the initiative holds immense significance, particularly in the realm of FDI as the

SIFC effectively engages with various countries and was fully committed to ensuring investment flows into the country. He said its manifesto included foreign investment with a long-term goal of touching \$60bn in five years and eventually achieving the target of \$100bn.



He said: “We need consistency in economic, fiscal, and trade policies and close collaboration with local and foreign stakeholders for attracting investments.” He said it was a good omen that Saudi Arabia, the UAE, Kuwait and Qatar had signed multi-billion dollar agreements for foreign direct investment (FDI), depicting tremendous response to the SIFC which was likely to increase substantially from January 2024. He said these agreements encompass investment cooperation across diverse sectors such as energy, port operations, wastewater treatment, food security, logistics, mining and aviation sectors.

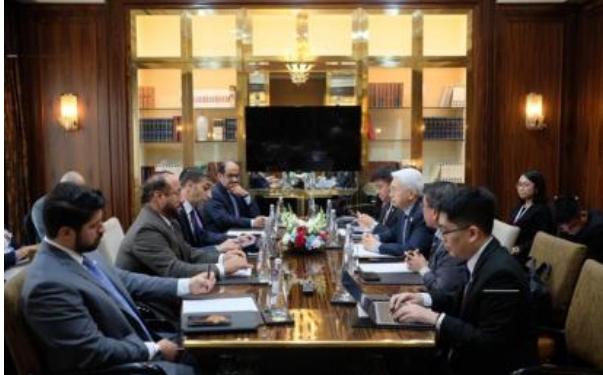
Meher said the International Finance Corporation (IFC), in collaboration with the Board of Investment (BoI), had also introduced an ambitious investment plan to inject more than \$1.5bn into Pakistan’s economy through both short- and long-term planning. He said the economic partnership between China and Pakistan had also been reinforced by inking 20 agreements and memorandums of understanding (MoUs) under the Belt and Road Initiative (BRI) cooperation.

He hinted that countries like France, Germany and Korea had expressed their interest in signing agreements related to administrative control of power distribution companies in Pakistan. He said strategically located Pakistan possessed tremendous potential, laced with plenty of natural resources and studded with minerals in abundance. He said what the country needed the most was political stability, long-lasting good governance, transparency, and streamlining cumbersome procedures for strengthening the national economy.

# UAE trade deal moves closer

**Daily Tribune, 6 September 2023**

**PHILIPPINES** - The Philippines and the United Arab Emirates have reaffirmed their commitment to strengthen their economic ties through a free trade agreement.



*Photo courtesy of DTI*

The Department of Trade and Industry said that Trade Secretary Alfredo Pascual and UAE Minister of State for Foreign Trade Dr. Thani bin Ahmed Al Zeyoudi met on the sidelines of the ASEAN Economic Community Council Meeting in Jakarta, Indonesia on 3 September 2023.

“During the meeting, both sides acknowledged the need to further enhance Philippines-UAE bilateral trade, investments and economic cooperation,” the DTI said in a statement.

The agenda during their meeting includes the Comprehensive Economic Partnership Agreement, or CEPA, and the Investment Promotion and Protection Agreement, or IPPA.

The IPPA was concluded by the Philippines and UAE during the country’s National Expo Day at Expo 2020 Dubai in February 2022.

## Comprehensive trade deal

It is a modern, business-friendly and comprehensive agreement covering the promotion, facilitation and protection of investments between the Philippines and UAE.

On the other hand, the CEPA is a bilateral free trade agreement that is still being negotiated by the two countries.

The CEPA is also seen as the country’s first FTA with a Middle Eastern country. Earlier, DTI said it targets to conclude the formal talks on CEPA in 2023.

“Further, both trade ministers discussed exploring possible investments and cooperation in areas like renewable energy, research and development, and skills development,” it added.

# BOC recognized for efficient trade, quality control

**Manila Bulletin, Chino S. Leyco, 27 October 2023**

PHILIPPINES - At a glance,

- The Bureau of Customs (BOC) recognized for trade facilitation and quality management
- Customs Commissioner Bienvenido Y. Rubio praised for leadership in revitalizing BOC workforce
- BOC obtained 23 ISO 9001:2015 Quality Management System certificates for core customs processes. Also, 11 Customs Collection Districts received ISO QMS certification.
- The Philippines improves in World Bank Logistics Performance Index, ranking 43rd out of 139 countries.
- The Philippines secures second position in UN Global Survey on Digital and Sustainable Trade Facilitation among Southeast Asian Nations.

The Bureau of Customs (BOC) has received commendations for its commitment to trade facilitation and quality management.

In a recent publication by the World Customs Organization (WCO), BOC Commissioner Bienvenido Y. Rubio's leadership was lauded for revitalizing the agency's workforce and driving performance enhancements.

Notably, the BOC obtained 23 International Organization for Standardization (ISO) 9001:2015 Quality Management System (QMS) certificates for its core customs processes June 2023, which highlighted its dedication to excellence and efficiency in its operations.

Additionally, the BOC's 11 Customs Collection Districts have received ISO QMS certification, with other districts actively working towards meeting the same standard.

The Philippines has also made significant strides in trade facilitation.

According to the 2023 World Bank Logistics Performance Index (LPI), the country has improved its ranking by 17 places, securing the 43rd position out of 139 countries.

Furthermore, the Philippines attained the second position among Southeast Asian Nations in the United Nations (UN) Global Survey on Digital and Sustainable Trade Facilitation.



Rubio emphasized the importance of a dedicated and skilled workforce in achieving these milestones.

The BOC has implemented comprehensive capacity-building programs that prioritize employee welfare and development.

By creating a conducive work environment and upholding principles of transparency and integrity, the BOC aims to optimize employee performance and ensure efficient customs services.

Expressing gratitude to the WCO Asia/Pacific Customs News for featuring the BOC, Rubio acknowledged the honor and extended sincere appreciation to the executives and all involved in the publication.

He reaffirmed the BOC's unwavering dedication to nurturing the workforce, enhancing services, and leading an effective and efficient customs administration.

## **The 14th Indian-Russian Business Dialogue in Moscow**

**CCIRF, 19 December 2023**

INDIA - The participants stated that bilateral trade and economic cooperation is developing increasingly. In particular, according to Indian statistics, mutual trade turnover for 10 months of 2023 reached \$54.7 billion. According to this indicator, Russia is among the four main partners of India. Russian business holds leading positions in the country in the supply of hydrocarbon raw materials (a third of Indian imports), mineral fertilizers, agricultural products and the diamond complex.

Exports of high-tech products to India are growing steadily. All this creates favorable conditions for expanding and deepening bilateral cooperation. It is expected that if this pace of cooperation is maintained, the goal of achieving a trade turnover of \$100 billion will be achieved before 2030.

At the same time, the speakers drew attention to the need to make the process of economic rapprochement with India more sustainable, with the prospect of eliminating imbalances in mutual trade. In this context, the wish was expressed that India would be able to take advantage of its ability to replace imported goods on the Russian market that were previously supplied by Western companies.

Forum participants, in particular, pointed to economic niches in demand in Russia in the automotive industry (auto parts, component base), shipbuilding, electronics, and retail

trade. Opportunities for increasing trade in those industries where Indian businessmen traditionally have a strong position (pharmaceuticals, information technology) were also noted.



*On December 19 2023, Vice President of the Russian Chamber of Commerce and Industry Vladimir Padalko took part in the 14th Indian-Russian Business Dialogue, held at the press center of the Rossiya Segodnya International Information Agency. The meeting was organized by the Indian Business Alliance (IBA) with the support of the Business Council for Cooperation with India (BCCI) and the Roscongress Foundation. A regular meeting of the DSSI was also held on the sidelines of the Forum.*

Requests were expressed for the need to maintain interbank dialogue, expand mutual access to capital markets, improve mutual settlement mechanisms, implement the transition to alternative SWIFT financial information exchange systems, as well as synchronize national payment instruments.

In addition, there is general agreement that there is huge untapped potential in the development of tourism businesses and tourism infrastructure. In connection with the prospects of signing an Intergovernmental Agreement with India on visa-free group tourist trips, expectations were voiced for Indian developers and large hotel chains to enter the Russian market.

The importance of creating, on a systematic basis, favorable conditions for doing business in India, including the liberalization of the customs regime within the framework of the “green corridor” project, as well as the expansion of transport and logistics routes, such as the international transport corridor “North-South”, the sea corridor “China-South”, was emphasized. Vladivostok, Northern Sea Route.

Great hopes in this regard were associated with the prospect of signing a Free Trade Agreement between India and the EAEU.

In the context of Russia's upcoming chairmanship of BRICS, the need to increase the status of this organization within the international monetary and financial system was emphasized, and the importance of developing interbank cooperation with a focus on national currencies was emphasized.

In addition, the speakers focused on some aspects that make doing business in India more difficult. In particular, they spoke about the Indian practice of applying non-market restrictions (tariffs) in relation to Russian exporters, as well as the problems of accumulating illiquid proceeds in the form of rupees. At the same time, opinions were expressed that “illiquid” rupees in the long term represent a huge investment capital that can be directed into the rapidly developing high-tech sector of India (telecommunications equipment, software, engineering complex, etc.), which is in demand in Russia.

In general, over 2022, DSSI organized dozens of events in this area. These are forums, business missions, industry trips and events within the framework of SPIEF and EEF. In this context, the business mission (March 2023) conducted by DSSI in Delhi jointly with REC, Vnesheconombank and Roscongress was repeatedly mentioned. Then more than 600 representatives of the business circles of India and Russia took part in the business mission from both sides.

The business forum was attended by representatives of almost all key structures involved in foreign economic activity (Ministry of Foreign Affairs, Federal Customs Service, Federal Tax Service, Ministry of Foreign Affairs, REC, MEC), representatives of a number of regional administrations, as well as a large pool of business associations and entrepreneurs with interests in the Indian direction (BEAC, RSPP, OPORA Rossii, etc.). On the Indian side there were: the Indian Embassy, IBA and representatives of large businesses.

## **Russia-China de-dollarization almost complete, Russian Deputy PM**

**RT, 20 November 2023**

**95% of trade between the countries is now settled in their national currencies, according to Andrey Belousov**

RUSSIA - Western currencies have been almost completely phased out in Russia-China trade, as nearly all payments between the countries are now carried out in rubles and yuan, Russian First Deputy Prime Minister Andrey Belousov announced.

Since the introduction of Western sanctions on Moscow, Russia and China have accelerated the use of their own currencies in trade. According to Belousov, 95% of all

transactions between Russia and China are now carried out in one of the countries' national currencies and given the rapid expansion of mutual trade and cooperation, this percentage is likely to grow.

Speaking at a meeting of the Russia-China intergovernmental commission in Beijing, the deputy prime minister said bilateral trade between the two countries will exceed the target of \$200 billion in 2023 and may reach \$300 billion by 2030.

He noted that China has long been among Russia's major trade partners and that the scope of investment opportunities for the two countries is expanding.

"New joint investment projects are being launched in priority sectors such as the automotive industry, mining and gas chemical industries, agriculture, logistics, IT sector and others," Belousov said.

Chinese companies have greatly benefited from the pullout of Western companies from the Russian market, as they have been actively filling the gaps and are eager to expand their presence in Russia further.

"The withdrawal of Western companies from Russia has created vast opportunities for Chinese partners to take part in Russia's in oil and gas, petrochemical and car manufacturing enterprises, as well as companies producing consumer goods, glass products, and construction materials," Belousov stated.

Russia has largely been supplying China with energy products, such as oil and gas, as well as refined products, agri-food, and industrial products. China has been exporting almost all types of goods, including food, equipment, mobile phones, electronics, engineering products, furniture, toys, textiles, clothing, and footwear.

## **‘Excellent’ progress in trade talks: US**

**Taipei Times, CNA, 10 December 2023**

TAIWAN - The US is not pursuing traditional free-trade agreements, as they are not fit for the challenges of modern economic issues, the US' trade representative said.

"Excellent progress" is being made on Taipei-Washington trade negotiations following the signing of the first agreement under the US-Taiwan Initiative on 21st Century Trade in June, US Trade Representative Katherine Tai said.

Tai made the comments during an interview with Bloomberg's David Westin at the Aspen Security Forum in Washington. In its trade negotiations, the US is trying "to be

responsive to the data and the feedback that we are receiving from the world economy,” as many changes are occurring simultaneously in the world, she said.



Washington is pursuing trade agreements designed to meet both sides’ interests, but “also tailored to the challenges and the dynamics that we are navigating together in the global economy,” she added.

The first agreement covered five areas: customs administration and trade facilitation, regulatory practices, services domestic regulation, preventing corruption, and small and medium-sized enterprises.

After the agreement was signed, “the US Congress in a fit of enthusiasm - even though they weren’t legally required to - took a vote on it to show their support for what we are doing here,” Tai said.

“We are negotiating another set of disciplines, right as we speak, [and] we’ve been making excellent progress,” she said.

Washington would continue to look into building on those areas to create an arrangement with Taiwan that is fit for “challenging” times, she said.

Regarding whether the US would eventually sign a free-trade agreement with Taiwan, Tai said that if a free-trade agreement is considered a traditional approach “to a very comprehensive, and maximally and aggressively liberalizing agreement,” then “no.”

“We’re not doing that with anybody right now. It’s actually insensitive to the dynamics in the global economy and the US economy ... to push on with that program, which may have been fit for the ’80s and the ’90s,” she said.

“It’s 2023. We need new policies,” in light of innovations such as artificial intelligence as well as challenges, including supply chain disruption and geopolitical tensions, she added.

Washington is “embracing innovation in [its] trade policy” that is different from the “old-style trade agreements that we used to do,” Tai said.

In other developments, Taiwan and the US held their fourth Economic Prosperity Partnership Dialogue with virtual and in-person meetings in Taipei and Washington.

Minister of Economic Affairs Wang Mei-hua and US Undersecretary of State for Economic Growth, Energy and the Environment Jose Fernandez led the online dialogue. Deputy Minister of Economic Affairs Chen Chern-chyi also led a delegation to the US for a meeting in Washington.



The dialogue featured extensive discussions on responding to economic coercion, supply chain investment, secure and sustainable energy transition, and areas of possible cooperation, the Ministry of Foreign Affairs said.

The two sides are to bolster the resilience and security of the supply chain for critical minerals and cooperate on expanding talent training for the semiconductor industry to meet the development needs of artificial intelligence and the smart automation of industries, it said.

On efforts to reduce greenhouse gas emissions, Taiwan and the US also agreed to hold more exchanges on energy transition, and drafted plans on tasks to be undertaken over in 2024 and 2025, it said. The two sides were also positive about the progress being made toward signing an agreement to avoid double taxation, it added.

The first Economic Prosperity Partnership Dialogue was held in November 2020 under the auspices of the American Institute in Taiwan and the Taipei Economic and Cultural Representative Office to advance cooperation on a broad range of economic issues, and forge closer ties between the two economies.

## **Turkish trade minister, EU commissioner discuss updating customs union**

**Daily Sabah, 6 September 2023**

**TURKEY** - The Turkish trade minister and the EU enlargement commissioner discussed updating the EU-Türkiye Customs Union, Türkiye's joint projects with the union, particularly in green transformation, and cooperation with the EU on financing.

"During the meeting, we reaffirmed our commitment to the strong continuation of the positive agenda between Türkiye and the EU," Trade Minister Omer Bolat said via X, formerly known as Twitter, after speaking with Oliver Varhelyi, the EU commissioner for neighborhood and enlargement.

Varhelyi began a two-day official visit to Türkiye, the first by an EU representative since the general and presidential elections in May.

"We were highly pleased with the concrete program proposed by the EU, especially regarding the facilitation of visa processes for our businesspeople," Bolat added, referring to a vexing problem for many Turkish citizens in recent months.

Saying that technical-level work on ties with the bloc will commence during Trade Working Group meetings in October, he added: "We will improve the trade and



economic cooperation between Türkiye and the EU, our largest trading partner, through mutual steps."

In September 2023, Türkiye agreed with the European Union on a road map to add further momentum to bilateral trade and economic relations in the new period, at a time when the sides are expanding dialogue to restore strained relations.



*Aerial view of the port in the Aegean city of Aydın, Türkiye (IHA Photo)*

The bilateral trade between Türkiye, which maintains the role of a key economic and defense partner with the EU, reached a record high of nearly \$200 billion in 2022, according to Trade Ministry data.

However, Türkiye is the only non-EU country with a customs union agreement with the bloc through the deal that was signed in 1995. The European Commission, the EU's executive arm, has long pushed for revamping the deal but failed to register any progress.

Officials have repeatedly said a more inclusive customs union would comprehensively shake up economic relations between the sides.

The current agreement between the parties only covers a limited range of industrial products and excludes agriculture, public procurement, e-commerce and services.

Türkiye has the most extended history with the union and the most prolonged negotiation process. The country signed an association agreement with the EU's predecessor in 1964, the European Economic Community (EEC), which is usually regarded as a first step to eventually becoming a candidate.

Applying for official candidacy in 1987, Türkiye had to wait until 1999 to be granted the status of a candidate country. For the start of the negotiations, however, Türkiye had to

wait for another six years, until 2005, a uniquely long process compared with other candidates.

In the wake of the stalled accession process to the union, officials including President Recep Tayyip Erdoğan have voiced hope for momentum in the process, with two sides increasing dialogue following July's NATO summit in Lithuania's capital Vilnius.

Türkiye expected the EU to show the necessary will and act more "courageously" to advance relations, said Foreign Minister Hakan Fidan during a joint press conference with Varhelyi in the Turkish capital Ankara.

## Connecting ASEAN Single Window Facilitating Trade, Improving Administration

**Vietnam Business Forum, Huong Hau, 6 November 2023**

VIETNAM - Implementing and connecting the ASEAN Single Window (ASW) is a key solution to enhance regional and global trade facilitation, improve the efficiency of customs administration, and ensure community security and safety, according to Mr. Pham Duyen Phuong, Deputy Director of the Information Technology and Customs Statistics Department under the General Department of Customs (GDC). The ASW connection helps reduce customs clearance time and cost for the business community.



The General Department of Vietnam Customs strengthens its collaboration with relevant agencies to expand single-window connectivity with ASEAN and non-ASEAN countries, aiming to facilitate trade and reduce costs for businesses. In the coming time, GDC will collaborate with relevant agencies to extend single-window connectivity with ASEAN and non-ASEAN countries.

Regarding the ASW implementation, GDC reported that Vietnam has officially connected to the ASW to exchange electronic certificates of origin, form D with all nine other member countries. Vietnam also coordinates with the ASEAN Secretariat and ASEAN countries to officially exchange ASEAN customs declarations as planned.

Vietnam has also prepared related requirements to connect and test the exchange of plant quarantine certificates in 2023 and discussed solutions and roadmaps for

connecting and exchanging electronic documents between ASEAN and its partners such as Japan, China and South Korea.

Regarding connection with partners outside ASEAN, Vietnam has completed the first phase of the pilot exchange of export customs declarations with the Eurasian Economic Union (EEU) and proceeded to coordinate in the second phase. GDC has signed a memorandum of understanding (MoU) on the Electronic Origin Data Exchange System (EODES) with the Ministry of Industry and Trade and the Korea Customs Service to facilitate the implementation of the free trade agreement.

The relevant parties are currently addressing technical matters to facilitate the exchange of electronic Certificate of Origin (C/O) information with South Korea. The General Department of Vietnam Customs collaborates with the Ministry of Agriculture and Rural Development and the New Zealand Embassy in Vietnam to implement a pilot program for exchanging electronic quarantine certificates with New Zealand. From its inception until August 15, 2023, the National Single Window (NSW) successfully connected 250 administrative procedures from 13 ministries and agencies. The platform efficiently processed nearly 6.67 million records from 64,700 companies.

#### **About CACCI:**

Founded in 1966, the Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) is a regional non-governmental association principally composed of the national chambers or associations of commerce and industry in Asia and the Western Pacific. Its current membership of 27 countries and independent economies cuts across national boundaries to link businessmen and promote economic growth throughout the Asia-Pacific region. CACCI holds Consultative Status in the Roster Category of United Nations' Economic and Social Council (ECOSOC).

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