



### CACCI to Commission Study on “Resurrecting the World Trading System”



The Confederation of Asia-Pacific Chambers of Commerce and Industry (CACCI) has commissioned renowned macroeconomist Dr. Andrew Stoeckel to author a study on “Resurrecting the World Trading System.” The Australian Chamber of Commerce & Industry (ACCI) will be managing the project with Dr. Stoeckel on behalf of the Confederation.

The newly-commissioned research is a flagship project for CACCI and will provide insight for the entire global trading community. The project will comprise of a contemporary study and macroeconomic assessment covering the following issues:

- The world trading system as a public good
- The demise of the trading system and WTO
- Why this breakdown matters?
- Why has the breakdown happened?
- What to do to fix the system

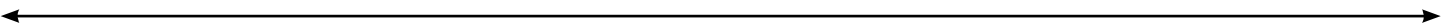
The outcomes of the CACCI study will assist to inform and support WTO reform to ensure the next generation of growth

has the appropriate institutional framework for rules-based trade. Results will be released in mid-2021 in time for consideration by the next WTO Ministerial Council.

The WTO (together with its predecessor GATT) has been in situ since the end of the Second World War, regulating trade, global relations and resolving disputes on the movement of goods and services. However, the current global market environment has made trade liberalisation less of a priority among many countries, threatening the sustainability of the WTO.

According to CACCI President Samir Modi, “It is an opportune time to examine how the world trading system has deteriorated to its current state, and what can be done to remedy the situation.”

“Many countries are more concerned with national security and economic self-interests, leading to a rise in nationalism and protectionism regionally and globally. And, given the growing trend to pursue bilateral economic relationships among many countries, the prevailing circumstances are expected to have further adverse impact on multilateral relationships. CACCI, with its initiative to conduct the study ‘Resurrecting the World Trading System’, hopes to focus efforts to the right questions and processes to achieve this important objective.”



#### In this Issue:

• Steering Committee for CACCI Study on “Resurrecting the World Trading System” Holds First Virtual Meeting .....	2	• News Updates .....	3
• CACCI Vice Presidents Take on Designated Portfolio .....	2	• Member Personalities .....	15
• CACCI Attends 17th JBC Meeting of the ASEAN-BAC .....	3	• Special Features .....	16
• FICCI, CACCI hold joint training workshop on “Digital Marketing for Indian SMEs” .....	3	• Product & Service Councils .....	18
		• Investment & Joint Ventures in the Region .....	22
		• Economic Cooperation News .....	25
		• Technology .....	28
		• Policy Updates .....	29

# Steering Committee for CACCI Study on “Resurrecting the World Trading System” holds first virtual meeting

The Steering Committee for the newly-commissioned study by CACCI on “Resurrecting the World Trading System” held its first virtual meeting on February 2, 2021.

Committee members include CACCI President Mr. Samir Modi; Chairman of the Advisory Board and CACCI President Emeritus Mr. Ken Court; CACCI Advisory Board Members Amb. Benedicto Yujuico from the Philippine Chamber of Commerce and Industry, and Mr. Jemal Inaishvili from Georgian CCI; CACCI Vice Presidents Mr. Peter McMullin of ICC Australia, Mr. Rifat Hisarciklioglu of TOBB, Mr. Sheikh F Fahim of FBCCI, Dr. Pedram Soltani of ICCIMA, and Mr. Teruo Asada of JCCI; Chairman of the CACCI Working Group on Policy Advocacy Mr. Bryan Clark from Australian CCI; and CACCI Director-General Mr. Ernest Lin.

During the meeting, members were briefed by Mr. Court on the background and purpose of the proposed study project, which is not only timely given that CACCI member countries are now facing a new world order, but will also ensure that CACCI is seen as a serious policy advocate for the business



sector in its efforts to address the currently complicated trade and investment issues.

Mr. Clark then clarified the role of the Steering Committee, which is to ensure that the study is conducted in an orderly way and that the agreed timelines and expectations are met. Among others, the Committee would assist CACCI

in such tasks as:

- developing an appropriate policy response to advocate in ways that will achieve satisfactory reforms of the WTO based on the report recommendations
- identifying appropriate supporters within the business and political landscape who can become partners and ambassadors for the project and its outcomes
- engaging the home nations of CACCI members to garner national support for the report recommendation and policy position of CACCI.

To ensure all things remain on track for the duration of the project, the Steering Committee has agreed to meet once a month, with the next meeting scheduled for March 2.

## CACCI Vice Presidents take on Designated Portfolio

The incumbent CACCI Vice Presidents have agreed to take a lead role in initiating and implementing programs and projects for their designated portfolios during the rest of their term in office.

Following the 92nd CACCI Council Meeting held online on November 20 last year, the incumbent Vice Presidents were requested to indicate which of the CACCI activities they prefer to be responsible for to help achieve CACCI’s objectives of promoting the interest of CACCI members. After sorting out their indicated preferences, CACCI President Mr. Samir Modi have assigned each of the CACCI Presidents to take the lead in the following CACCI activities:

- *Policy advocacy - Mr. Peter McMullin (Australia)*
- *Participation in Inter-governmental organizations involved in regional cooperation (e.g., ASEAN, APEC, etc.) - Sheikh Fazle Fahim (Bangladesh)*
- *Strengthening of relationships with other*



*regional and international business organizations (ICC, Eurochambres, etc.) - Rifat Hisarciklioglu (Turkey)*

- *Promoting trade and investments among CACCI member countries - Teruo Asada (Japan)*
- *Information exchange program (publications, social media, etc.) - Henry Kao (Taiwan)*
- *Membership expansion - Pradeep Kumar Shrestha (Nepal)*
- *Annual Council meetings and Conferences - Dr. Pedram Soltani (Iran)*

Each of the Vice Presidents has been requested to propose programs and projects for his designated portfolio.

## CACCI attends 17th JBC Meeting of the ASEAN-BAC

CACCI Deputy Director-General Mr. Amador Honrado participated in the 17th Joint Business Council Meeting organized by the ASEAN Business Advisory Council (ASEAN-BAC) held online on February 2, 2021. Chaired by YB Siti Rozaimeryanti Abd Rahman, ASEAN-BAC Brunei Darussalam, the meeting discussed the 2021 Brunei Chairmanship Priorities and Calendar, updates on the continuing initiatives of the JBCs, report on the ASEAN-BAC Projects, ASEAN Secretariat updates, and updates by JBC and Partner Champions. CACCI is an Associate Member of the JBC of the ASEAN-BAC.



## FICCI, CACCI hold Joint Training Workshop on “Digital Marketing for Indian SMEs”



CACCI and the Federation of Indian Chamber of Commerce and Industry (FICCI) jointly organized an exclusive workshop on “Digital marketing for Indian SMEs” on February 12, 2021.

The four-hour workshop, which was held virtually, aimed to provide a holistic and overall understanding on the nuances of digital marketing and how it can be leveraged to create new business opportunities and or expand existing business using different tools.

The training was conducted by Ms. Nidhi Bhasin, an expert on digital marketing with substantial experience in helping Indian SMEs expand their businesses using digital technology.

## News Updates

### Why many Asian Countries are Being Cautious on Vaccines



The nations quickest to enact social distancing and contact-tracing systems have mostly kept COVID-19 in check, but their citizens now find themselves lagging in receiving the shots needed to finally end a pandemic that has devastated millions of lives.

Governments from Japan and Australia to Hong Kong and South Korea are taking their time before granting regulatory approvals for vaccines, in stark contrast to the Western nations that have

rushed to inoculate populations.

That cautious approach may seem strange given the urgency to resume normal life, but low infection rates mean that Asian governments are able to wait to see how the unprecedented vaccination drives play out elsewhere. Still, the strategy runs the risk of leaving them economically disadvantaged against places that botched containment but rushed out vaccination.

In New Zealand, which has the top spot on Bloomberg’s COVID Resilience



## News Updates

Ranking of major economies that have best fought the pandemic, the main opposition party asked Prime Minister Jacinda Ardern to explain why the country “has fallen behind the rest of the world with its vaccine program.”

In South Korea, an editorial in newspaper Hankyoreh said “we cannot forever ask people to stop their daily lives and endure the economic pain.”

But officials are defending their pace as the safer approach, and one that they’ve earned. “It’s not a bad thing to sit back a bit and see how others are doing,” said Lam Ching-choi, a medical doctor and

a member of the Executive Council that advises Hong Kong’s leader. “I’m totally sympathetic where they don’t have the luxury and they need to do it in the quickest manner to kill the epidemic.”

Hong Kong, currently reporting a few dozen COVID-19 cases daily and with a total death toll of 161 since the pandemic began, has yet to approve a single vaccine as it awaits more detailed clinical trial data ahead of a planned vaccination drive to start in February.

Australia, which shut its border to non-residents when the pandemic began and has instituted strict lockdowns when cases emerge, expects to approve the vaccine developed by Pfizer Inc. and BioNTech SE by the end of January and the AstraZeneca PLC vaccine next month, with shots also beginning in February.

By contrast, the U.S. and U.K. have already administered nearly 14 million shots in total after expedited approvals last month, while Israel has delivered 2 million doses, or 22 shots per 100 people.

Asian officials and health experts remain anxious because it’s the first use of this particular mRNA technology for vaccines, which instructs the human body to produce proteins that then develop protective antibodies. It’s also the first global vaccination effort undertaken at such great speed.

Although millions have gotten jabs without incident, there have been some allergic reactions, including anaphylactic shock and incidents like the death of a health worker 16 days after receiving the Pfizer shot, though a link has not been established.

“This extra time will allow those countries to learn from the experience of countries that have commenced distribution,” said Adam Taylor, a virologist at Griffith University in Australia. “The more information you have on the process of distribution and the safety of the vaccines, the more confidence you have in your own rollout. The technology used for the Pfizer and Moderna vaccines has never been used before in humans and although safety looks good, the more data the better.”

Some countries are concerned over the fact that pharmaceutical companies have been granted legal immunity in rushed negotiations. South Korean Health Minister Park Neunghoo said countries have been forced into “unfair contracts” with these firms due to the “incomprehensible” nature of the pandemic. Seoul plans to administer shots in February.



*HK Chief Executive Carrie Lam (center) holds a news conference on the government’s strategy for COVID-19 vaccinations (Reuters)*

“It is nearly universal around the world that extensive immunity from liability is being demanded” from the companies, Park said at a recent press briefing, noting that South Korean officials need time to scrutinize safety data closely since companies won’t take responsibility for any mishaps. “Rushing to vaccinate populations before we identify risks is not so necessary for us.”

Such explanations may not sit well with the citizenry of Asian economies that were hit by the virus before the West, and have therefore spent nearly a full year wearing masks, staying at home and abiding by strict social distancing rules.

In New Zealand — which closed its border early and snuffed out the virus — the opposition has been critical of the country’s slow vaccination timeline, citing a global resurgence of the virus and the emergence of more transmissible variants. New Zealand’s rollout is slated to begin in the second half of 2021.

Deputy Prime Minister Grant Robertson denied that the country is merely being “polite,” and said that other countries with rising death tolls have priority. “We’re doing every single thing that is possible to get the vaccines here as soon as we can,” Robertson told NewstalkZB this week.

Another reason for proceeding slower than desperate Western nations is that they don’t want a botched rollout to undermine public confidence in the vaccines, potentially jeopardizing the ability to inoculate a sufficient percentage of the population for herd immunity.

That’s particularly important among Asian populations where confidence in vaccines is already low. A World Economic Forum-Ipsos survey on global attitudes toward COVID-19 vaccines found that the percentage of respondents who agreed with taking a vaccine dropped up to 9 percentage points from October to December in countries including South Korea and Japan, which is now posting record numbers of new cases and is slated to start inoculations in late February.

“Governments charging in too early when they buy vaccines at great cost and find they cannot use them meaningfully or they are expired — that could be a disaster,” said Jeremy Lim, associate professor at the National University of Singapore’s Saw Swee Hock School of Public Health.

Officials have also tried to lower expectations, arguing that rollouts will not immediately allow restrictions to be lifted since it will take the better part of a year for enough people to be vaccinated for conditions to become safe again. Most public health experts suggest around 80% of the population needs jabs before anything resembling herd immunity is achieved.

Lim added there’s no point rushing to get to 65% of the population, but stumbling along the way and being unable to vaccinate the remaining 15%. “It doesn’t matter how fast you are,” he said. “It’s how strong you finish.”

*Bloomberg*

## China overtook US in FDI, UN agency says



China overtook the US as the largest recipient of foreign direct investment (FDI) last year, a year in which overall global flows cratered by 42% as a result of the COVID-19 pandemic, a UN trade agency said.

Flows fell to an estimated US\$859 billion from US\$1.5 trillion in 2019, according to the UN Conference on Trade and Development's (UNCTAD) Global

Investment Trends Monitor report. It was the lowest level since the 1990s and 30 percent below the investment trough that followed the 2008-2009 global financial crisis.

While the world as a whole struggled, China held on, becoming the world's largest foreign direct investment recipient with flows rising by 4 percent to US\$163 billion, the report said. A return to positive GDP growth and a targeted investment facilitation program helped stabilize investment in China after the first COVID-19 lockdowns there, the agency said.

Among Chinese sectors, high-tech industries saw a foreign direct investment increase of 11% last year, and cross-border mergers and acquisitions rose by 54%, mostly in information and communications technology, and pharmaceutical industries.

Flows to North America slid by 46% to US\$166 billion, and those to the US alone fell 49% to an estimated US\$134 billion last year.

Europe fared worse, with flows down by two-thirds to a negative US\$4 billion. In the UK, foreign direct investment fell to zero, and declines were recorded in other major countries. Elsewhere, flows to Australia slumped, but those to Israel rose.

The UN agency said it expects foreign direct investment to remain weak this year due to uncertainty over the evolution of the COVID-19 pandemic.

"The effects of the pandemic on investment will linger," said James Zhan, director of UNCTAD's investment division. "Investors are likely to remain cautious in committing capital to new overseas productive assets."

*Bloomberg*

## Singapore has a 10-Year Plan to Ramp up Manufacturing by 50%



Singapore aims to grow its manufacturing sector by 50% over the next 10 years to maintain its competitiveness, with the pandemic highlighting its importance to the trade-reliant city-state's economy.

But the goal is ambitious as it will become harder to rely on foreign labor to supplement the local workforce, Trade and Industry Minister Chan Chun Sing said on January 25. To meet the aim, Singapore has to innovate and produce higher-value products rather than look to lower the cost of production or labor, he added.

The plan comes as the manufacturing industry emerged as

one of Singapore's bright spots as it underwent its worst recession on record. The pandemic has created a demand for products from sectors such as biomedical electronics and precision engineering sub-sectors, which in turn generated demand for supporting sectors such as logistics.

The city-state's manufacturing sector contributes about 21%, or around S\$106 billion (\$80 billion), of total gross domestic product and accounts for about 450,000 workers, or around 12% of the workforce, according to the government figures.

"In the fight against Covid-19, securing essential supplies sometimes became a barter trade, and may continue to be so as we see global supply chains continue to be disrupted," Chan told local media on the sidelines of a visit to a precision engineering firm.

"So whether people will sell us things or not" often depends on whether "we have things that other people value that they want to obtain, beyond just an issue of whether people are willing to pay the price for it," Chan said.

Given that it will reduce reliance on cheap foreign labor, more locals will have to work in the sector, Chan said. Singapore also will try to attract the best global and local firms in niche areas that will ensure the city remains a critical node in global value chains, he added.

*Bloomberg*

## China Trade Row has Cost Australia \$3 Billion in Lost Exports

Australia's trade fight with China cost it about \$3 billion in commodities sales last year, and that relatively small impact suggests there's little economic need for the country to bow to Beijing's pressure.

That's the value of Australian exports lost in 2020 compared to the prior year, and covers commodities from copper and coal to wine and lobsters that are now subject to trade restrictions by Beijing, according to Chinese customs data. The impact on some of those industries has been savage as exporters are forced to abandon their biggest market and seek customers elsewhere.

At the same time, China's state-aided splurge on infrastructure to rescue its economy from the pandemic has lifted the amount of iron ore it needs to fuel record-breaking steel production. And there, Australia is the dominant producer. Purchases by China rose almost \$10 billion last year.

The value forgone in commodity shipments to China doesn't capture replacement sales to new markets nor shifts in international prices and exchange rates. It's also dwarfed by Australia's total exports of \$257 billion in the first 11 months last year. Meanwhile, China's total imports from the world fell 1.1% in 2020 as the pandemic roiled supply chains and depressed demand.

Beijing's trade reprisals have stopped short of targeting the commodities most crucial to its own economy -- iron ore and liquefied natural gas. They're also Australia's biggest earners. Australia is the developed economy most dependent on trade with China, and the two completed a free-trade agreement in 2015. Relations have deteriorated since 2018, when Canberra barred Huawei Technologies Co. from its 5G network, and went into freefall in 2020 after the government called for an independent probe into the origins of the pandemic.

China has made noises about breaking its reliance on foreign iron ore, but Australian miners are incredibly cost-effective and the government has few alternatives to avoid ratcheting up costs for its steel industry, the world's largest. Gas is viewed as a crucial bridging fuel to Beijing's goal of carbon neutrality while it weans itself off coal. China doesn't produce enough domestically, and again, Australia is among the world's top suppliers.

*Bloomberg*

\$ MILLION	2020	2019
Coal	7,870	9,331
Barley	363	662
Wine	673	812
Beef	418	407
Lobster	0.047	0.204
Timber	495	567
Copper ore	1,272	1,660
Wheat	360	361
Cotton	225	817
Total	11,076	14,637

## Surging Shipping Rates Pose New Headwind for The Global Economy

Shocks to supply chains are engulfing a wider swath of the global economy as the pandemic rages on, threatening to stifle Asia's trade-led recovery just as soaring freight rates make it harder for businesses to weather another year like 2020.

Shortages of consumer goods like paper towels and work-from-home gear early in the Covid-19 crisis have given way to parts shortfalls in one of the most globally integrated of industries: auto manufacturing.

Volkswagen AG was forced cut production plans at the world's largest car factory in Germany and warned supply constraints might spread globally, while Honda Motor Co. is reducing output at five North American factories as it struggles to

procure chips used to make cars.

Compounding the industrial imbalances are transport woes plaguing consumer and health-care sectors still dealing with a dearth of available shipping containers to move components and finished products out of China, Taiwan, South Korea and Asia's other export powers.

Nerijus Poskus, vice president for global ocean at San Francisco-based freight forwarder Flexport, reckons the world needs the equivalent of 500 000 more 20-foot containers — roughly enough to fill 25 of the largest ships in operation — to satisfy the current demand. In the meantime, standard container rates on transpacific routes are quadruple what they were a



## News Updates

year ago. And that's before equipment surcharges and premiums for guaranteed loading are added.

Just a few weeks ago, the bottlenecks at ports from Singapore to Los Angeles and Rotterdam were looking like short-term headaches and added costs during peak season. Now they're threatening to act more like a brake on the global recovery.

That's because the convulsions are reaching beyond supply chains into operations, either curbing output or saddling manufacturers with goods that haven't been paid for, and wreaking havoc on inventories and cash flows. In some cases, supply snarls are begetting demand drags: Some factories complain they can't consider new orders until the clogged pipeline clears.

Satellite tracking shows almost three dozen container ships are anchored waiting for berth space at the twin ports near L.A., the busiest gateway for US goods trade, up from about 20 vessels right before Christmas.

Among those feeling the pain is Sidney Yu, whose firm Prime Success Enterprises Ltd. makes educational and recreational products that includes tents for children and baths for pets. After booking two containers to Europe for a shipment last month from Yantian, Shenzhen, he was later told he could only get one. He also added that containers that once would have



cost \$2,000 to send across the Pacific are now being quoted as high as \$13,000 for service before Chinese New Year in mid-February.

While most shipping analysts see the congestion lasting through the first quarter, there may be longer-term economic costs — both for consumers to bear or companies' margins as higher transport costs get baked into annual contracts with container carriers.

The outlook gets no less murky heading into February — when Chinese New Year marks a seasonal turn in Asian exports, many importers renegotiate freight rates with carriers for the next 12 months and the carriers themselves start to receive tens of thousands of new containers they ordered last year.

Elevated container rates “may factor in for the rest of the year,” even if the current disruptions get ironed out, said Chris Rogers, lead trade analyst for S&P Global Market Intelligence's Panjiva. “Companies that have seen much higher

shipping costs are either going to have to swallow that in their profits or pass it through to their customers.”

Normally container rates drop 15% to 20% after the Chinese holiday, he said, but “that might not happen exactly the same this year because the backlog has got to be cleared.”

There's a lot riding on manufacturing to drive the global economic recovery given the doldrums that tourism and hospitality are mired in. The World Bank this month warned that the rebound from the deepest recession since World War II will be slightly weaker than previously expected.

Still, there are good reasons for optimism. China won a record share of world trade last year and Taiwan's exports continued their double-digit recovery in the final month of 2020.

Meanwhile, South Korea's exports climbed at the fastest pace in more than two years in December. The country's biggest shipping line HMM Co. has deployed extra ships along US-bound routes and will add another ship to Europe later this month.

The extra capacity is needed to help small companies on the receiving end. The European Freight Forwarders Association and the European Shippers' Council sent a letter to regulators in Brussels this month warning of business failures if the shipping market doesn't rebalance.

*Bloomberg*

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## Bangladesh to outperform Asian peers in economic recovery

Bangladesh is likely to recover faster than its Asian peers from the Covid-19 fallout thanks to improving exports, growth in domestic consumption and remittance inflow, according to a study of Standard Chartered bank.

In fiscal 2020-21, the economy will bounce back led by growing exports and remittance, which will also give a boost to consumption, it said.

Anubhuti Sahay, head of South Asia economics research of Standard Chartered Singapore, presented the findings of the study titled “2021 Outlook: The Road to Redemption” at a virtual discussion organised by the Bangladesh-German Chamber of Commerce and Industry (BGCCI).

Bangladesh is likely to be an outperformer in the

Asian region, according to Sahay, adding that a good number of companies are shifting their manufacturing facilities from China to Bangladesh.

She said Bangladesh will face some long-term challenges after its graduation from the least developed country (LDC) category by 2027, if the developed and developing countries do not continue extending the LDC facilities to it.

For instance, the LDCs enjoy 136 different kinds of international support measures, but once the country is graduated, all those measures would be eliminated.

Commerce Minister Tipu Munshi said a high-powered trade delegation will visit Germany this year to increase bilateral trade and investment. The minister invited German businesses to

## News Updates

invest in Bangladesh's special economic zones as the government is developing 100 economic zones across the country.

Germany is the only country where Bangladesh's exports grew post-June 2020 and the majority of shipments was based on manmade fibre-based products, said Rubana Huq, president of the Bangladesh Garment Manufacturers and Exporters Association.

She urged the German companies to invest in local manmade fibre, polyester staple fibre and light engineering sectors as those are growing rapidly in Bangladesh.

Mustafizur Rahman, distinguished fellow of the Centre for Policy Dialogue, said German investment in Bangladesh is low, adding that the western European country still has a huge



opportunity and it should take steps to make proper use of the preferential access Bangladesh enjoys in the EU. He also mentioned about setting up country-specific economic zones in Bangladesh, which will help to increase foreign direct investment in the country.

Nasir Ezaz Bijoy, CEO of Standard Chartered Bangladesh, stressed the need for smooth export financing, introduction of export credit guarantee scheme and aggregation of large project

for faster recovery of Bangladesh.

Germany is the largest export destination of Bangladesh in Europe, said Bangladeshi ambassador to Germany Mosharraf Hossain Bhuiyan. He said there is immense opportunity to grow business between the two countries.

*Daily Star*

## Taiwan GDP growth outpaces China for first time in three decades



Taiwan's economic growth last year outpaced China for the first time in 30 years.

Taiwan's gross domestic product expanded 2.98% in 2020, faster than the 2.3% of its neighbor across the Taiwan Strait. It's impressive pace in a year when the global economy was battered by the coronavirus pandemic comes as major economies across the globe are set to log annual contractions.

Taiwan's economy ended on a high note, growing 4.94% on the year in the final quarter -- its best quarterly figure in almost a decade, according to data published by Taiwan's Statistics Department on Friday.

Taiwan's success in containing COVID-19 has helped manufacturers keep production running, although strict border closures have hammered the tourism sector. The export-oriented economy saw a stronger-than-expected 12% increase in shipments

overseas in the quarter ended December, Finance Ministry data showed.

"The economic growth stemmed from the continued domestic investments from manufacturers. The production capacity continued to expand and the supply chain localization also helped. Export performance was better than expected. The decline of domestic spending is not as serious as we thought last quarter," the budget, accounting and statistics bureau said in a statement.

The island's biggest tech companies such as Taiwan Semiconductor Manufacturing Co., Hon Hai Precision Industry, and MediaTek all reported record revenues for the October-to-December quarter as well as the full-year. These companies, as well as the shift of production away from China amid the Washington-Beijing tech and trade spat, have elevated Taiwan's importance in the global supply chain for industries such as smartphones, data center servers, and automobiles.

"We have been holding the view that global demand in high-tech products would clearly support Taiwan's external demand and could cement the global position as a key provider of semiconductor down the road," Alicia Garcia-Herrero, Asia-Pacific chief economist at Natixis, said. "As such, Taiwan has crossed the finishing line for 2020 with one of its best performances in recent years, and possibly within Asia."

*Nikkei Asia*



## World Economic Forum Releases Global Risks Report 2021



The immediate human and economic cost of COVID-19 is severe. It threatens to scale back years of progress on reducing poverty and inequality and to further weaken social cohesion and global cooperation. Job losses, a widening digital divide, disrupted social interactions, and abrupt shifts in markets could lead to dire consequences and lost opportunities for large parts of the global population. The ramifications—

in the form of social unrest, political fragmentation and geopolitical tensions—will shape the effectiveness of our responses to the other key threats of the next decade: cyberattacks, weapons of mass destruction and, most notably, climate change.

In the Global Risks Report 2021, the World Economic Forum (WEF) shares the results of the latest Global Risks Perception Survey (GRPS), followed by analysis of growing social, economic and industrial divisions, their interconnections, and their implications on the ability to resolve major global risks requiring societal cohesion and global cooperation. The WEC concludes the report with proposals for enhancing resilience, drawing from the lessons of the pandemic as well as historical risk analysis.

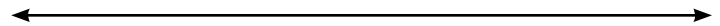
Among the highest likelihood risks of the next ten years are extreme weather, climate action failure and human-led environmental damage; as well as digital power concentration, digital inequality and cybersecurity failure. Among the highest impact risks of the next decade, infectious diseases are in the top spot, followed by climate action failure and other environmental risks; as well as weapons of mass destruction, livelihood crises, debt crises and IT infrastructure breakdown.

When it comes to the time-horizon within which these risks will become a critical threat to the world, the most imminent threats – those that are most likely in the next two years – include employment and livelihood crises, widespread youth disillusionment, digital inequality, economic stagnation, human-made environmental damage, erosion of societal cohesion, and terrorist attacks.

Economic risks feature prominently in the 3-5 year timeframe, including asset bubbles, price instability, commodity shocks and debt crises; followed by geopolitical risks, including interstate relations and conflict, and resource geopolitization. In the 5-10 year horizon, environmental risks such as biodiversity loss, natural resource crises and climate action failure dominate; alongside weapons of mass destruction, adverse effects of technology and collapse of states or multilateral institutions.

Underlying disparities in healthcare, education, financial stability and technology have led the crisis to disproportionately impact certain groups and countries. Not only has COVID-19 caused more than two million deaths at the time of writing, but the economic and long-term health impacts will continue to have devastating consequences. The pandemic's economic shockwave—working hours equivalent to 495 million jobs were lost in the second quarter of 2020 alone—will immediately increase inequality, but so can an uneven recovery. Only 28 economies are expected to have grown in 2020. Nearly 60% of respondents to the GRPS identified “infectious diseases” and “livelihood crises” as the top short-term threats to the world. Loss of lives and livelihoods will increase the risk of “social cohesion erosion”, also a critical short-term threat identified in the GRPS.

Read the full Global Risks Report 2021 [here](#).



## Unemployment drop a promising sign of recovery: ACCI



The Australian Bureau of Statistics' latest employment figures indicate that Australia is on track for economic recovery, with total employment now just 93,000 jobs shy of the pre-COVID peak of 13 million jobs.

“Today’s ABS labour force figures are pleasing and, coupled with the positive job vacancy numbers released last week, show that above all we have a resilient economy and can be cautiously optimistic about the post-COVID recovery,” Jenny Lambert, acting CEO of Australian Chamber of Commerce and Industry (ACCI) said.

“We need to consider this data reflects the situation in December – Queensland’s strong growth of 1.4% could be affected by restrictions in January, a peak trading season for the state.

“It is also important to remember that while some industries are bouncing back, thousands of business particularly in tourism and events remain in critical condition.

“ACCI is consulting with Government on a range of targeted support packages which will be needed for industries that continue to be affected by Government restrictions when JobKeeper comes to an end.”

*ACCI Media Release*

## FICCI partners with CIF, TRI, & Consulate General of India for Canada - India Healthcare Summit 2021



Consulate General of India  
Toronto, Canada



Canada India Foundation (CIF), Toronto Rehab Institute - University Health Network (TRI), the Federation of Indian chamber of Commerce and Industry (FICCI) and the Consulate General of India (CGI) announced the Canada- India Healthcare Summit 2021 (CIHS 2021), scheduled on May 20 to 21 as a virtual event, with Toronto as the hosting venue. The summit will address the themes of Pandemic Response and Post-COVID Healthcare, Biotechnology and Artificial Intelligence and will also feature the CIF/ Kite Institute Powerplay Pitch competition for innovators and start-ups in the healthcare sector.

As India's largest and apex business organisation, FICCI will be steering a delegation of eminent personalities and professionals from Indian healthcare industry for the CIHS 2021.

The summit this year will be the third Canada-India Healthcare Summit that CIF will be organizing, after its earlier initiatives in 2015 in Toronto and in New Delhi in 2017.

Canadian healthcare initiatives to be showcased at the Forum will be led by Toronto Rehab Institute, world leader in new technologies for rehabilitation.

As a run-up to the Summit, a series of webinars focusing on specific

themes will be conducted on February 24, March 10, and March 25. The webinars will be coordinated by Dr Arun Chockalingam, Chair of the Technical Committee for the Summit and will culminate in a set of White Papers that will be published and presented at the summit.

The immediate outcome of CIHS 2021 will be the preparation of a policy document, including recommendations for Canadian and Indian governments and healthcare sector. The summit report, incorporating healthcare policy recommendations, will be presented to both governments as well as other stakeholders.

Details and updates about the summit can be obtained from the summit website and other social media platforms.

*FICCI Press Release*

## KCCI's 'Sandbox' Helps Startups get on Their Feet



*KCCI Chairman Park Yong-maan*

The COVID-19 pandemic has forced many Korean businesses and even some courts to temporarily halt operations, but one organization has stayed busy trying to change outdated laws and policies to help budding startups. That organization is the Sandbox support center run by the Korea Chamber of Commerce and Industry (KCCI).

The support center was launched in May and helps out startups with a one-stop approach, from application procedures to getting approval for businesses.

The business support center got its name from the playground fixture in order to amplify the KCCI's initiatives to temporarily reduce or exempt regulations so startup companies will have more room to operate and grow.

Other countries, including the U.K. and Japan, have already implemented the sandbox system. But Korea is the first case where a private organization is offering such support.

KCCI Chairman Park Yong-maan put an emphasis on creating meaningful change in society through the Sandbox

initiatives. During the first 200 days since the Sandbox center was launched, 84 cases have been resolved.

A shared kitchen and shared hair salon represent the initiatives well. The shared kitchen opens up one facility that several businesses can share, reducing startup costs. But before Sandbox, it was deemed illegal in Korea due to the Food Sanitation Act and worries of possible cross-contamination.

Over 205 shops and over 1,300 food makers have benefitted from the shared kitchen. According to the Ministry of Food and Drug Safety, for around a year the shared kitchen saved around 12.6 billion won in initial investments for the participating firms.

A shared hair salon had a similar effect. Hair salons are also restricted from enrolling numerous business under one roof, and it was also illegal to share shampoo rooms and other facilities. But through KCCI's sandbox initiative it received approval for shared hair salons opening up new opportunities for new hairstylists to drastically cut startup costs. Each year, one out of five hair salons is forced to close due to high maintenance fees and rent. Through the Sandbox initiatives, 80 shops are being used by 900 hairstylists.

The Sandbox system provides temporary licenses that allow businesses to try out new initiatives currently forbidden



## News Updates

by law. Through the Sandbox approval, entrepreneurs could start their business but if there are no revisions to the related law the business operations could be halted once the license expires. That is the reason why Sandbox's final goal is to revise the

related law for startups to continue their businesses.

Since last year, Chairman Park and KCCI executives have called on the National Assembly and related government entities to revise outdated laws for young

entrepreneurs to freely start businesses. The chairman himself visited the National Assembly 13 times last year to discuss the issue upfront with lawmakers.

*Korea Times*

## PCCI Opens Innovation Center

The Philippine Chamber of Commerce and Industry (PCCI) has opened an innovation hub that aims to align skills of local talents to the demand of the technology job market.

PCCI partnered with Huawei Technologies Philippines, Inc. for the PCCI Innovation Center located in Double Dragon Meridian Park in Pasay City.

At the soft launching of the innovation center, PCCI president Benedicto Yujuico said the innovation hub will offer educational programs aligning with in-demand skills and knowledge, such as artificial intelligence, robotics, coding, big data analysis, Internet of Things, satellite internet connectivity, and blockchain.

He added the innovation hub would be PCCI's legacy and contribution to achieve the government's Ambisyon 2040.

"We hope to accelerate the achievement of Ambisyon 2040 through introducing innovation to local government, the academe, NGOs (non-governmental organizations), MSMEs (micro, small and medium enterprises), and other sectors such as agriculture, agribusiness, logistics, and transportation," he said.

PCCI Innovation Center managing director Miguel



Yujuico said the innovation hub aims "to bring the startup spirit of Silicon Valley" to the country.

He added the Center is creating [innovate.com.ph](http://innovate.com.ph) to reach out to entrepreneurs and innovators, creating business accelerators for local startups, and providing them training and mentorship programs.

"We are the one-stop shop to turn innovative ideas into full-fledged companies," he said

*Philippine News Agency*

## FBCCI and MIT Solve launch Virtual Solveathon

The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) in partnership with Massachusetts Institute of Technology (MIT) Solve hosted a virtual Solveathon on January 30 to generate and refine great ideas to Global Challenges. The program, titled 'Virtual Solveathon Powered by MIT Solve' was initiated for the first time in Bangladesh, where it was executed by FBCCI Tech C.

The Solveathon Workshop was based on the following four MIT 2021 Challenge themes: Resilient Ecosystem, Health Security and Pandemics, Equitable Classrooms and Learning Spaces, and Digital Inclusion for Economic Justice. MIT Solve officers and trained facilitators were in charge of the overall management and training of the program.

FBCCI President Sheikh Fazle Fahim said, "This



event is aimed at entrepreneurship training of talented youth of the country. I firmly believe that through the 'FBCCI Virtual Solveathon Powered by MIT Solve, executed by FBCCI Tech C', we will be able to incubate potential young people who are capable of tackling global challenges, and will exhibit Bangladesh's potential in the world arena."

Solveathon's workshops are organized to find effective ways to tackle global challenges based on mutual discussion. This activity is creating a unique opportunity to demonstrate its ability to effectively address global challenges by utilizing its own efforts and skills. This platform gives people from different parts of the world the opportunity to know, discuss, share ideas, get standard skills training to scale concept to market.

*Financial Express*

### Nearly 7 in 10 Singapore Firms Confident They can Stay in Business Despite Covid-19 Hit: SBF survey

Businesses in Singapore remain hopeful although almost two-thirds, or 63%, were negatively impacted by the Covid-19 pandemic with revenue plunging by 31% on average, an annual survey by the Singapore Business Federation (SBF) found.

Despite the challenges of an uncertain economic climate engendered by the pandemic, 69% of companies are confident they can sustain their business in the next 12 months.

About one-third of firms (31%) expect business and the economic climate to improve this year, a significant improvement from the 8% in last year's survey. On the flip side, one in three companies are not sure whether they can keep operating in the next six to 12 months.

Local businesses have also been operating at 70% of their capacity on average. And overall, less than 23% of respondents are satisfied with the economic climate and 32% predict worsening conditions.

The survey, conducted from October 9 to November 28 last year, drew responses from 1,075 businesses across all key industries.

It found that uncertainty about the future is higher among small- and medium-sized enterprises (SMEs) - with seven in 10 SMEs confident about sustaining their businesses in the next 6 to 12 months, compared with eight out of 10 large companies. A majority of businesses, both large and small, believe that it may take them more than a year to achieve a full recovery from the negative impact of the coronavirus pandemic.

According to the survey, business priorities will continue to revolve around increasing revenue, building cash flow and reducing costs. One in five companies also recognises and prioritises the need to streamline its business and operational processes. Historical key challenges such as manpower costs and business competition remain critical.

Fifty-two per cent of the respondents flagged manpower costs as a key challenge, and two in five firms also said that job applicants lack the soft skills needed. The same proportion of companies said that new foreign workforce policies will add to their costs.

Aside from costs, businesses are also concerned about the restrictions placed on the supply of foreign workers. Nearly half of all businesses stated that staff training has become more important as a result of Covid-19 and due to future uncertainties. While businesses are keen to undertake staff training, many are hindered by limited staffing resources.

Thirty-six per cent feel that training programmes do not offer practical outcomes. Hence, matching companies with the



right programmes will be key in aiding them in their goals of upskilling employees.

Businesses invested the most on staff training during the pandemic, a trend that will continue to rise in 2021. Conversely, cost-cutting measures such as workforce or salary reduction will decrease in the coming year.

Businesses feel that Government support is still required to help them manage cost and cash flow, as well as in attracting,

developing and retaining talents.

Aside from financial support (37%), businesses also seek help in digitalisation (43%), financial management (33%) and brand development (31%).

Companies are also aware of the need for continued digitalisation, but many feel they lack manpower and resources to transform their businesses. Three in five report that digitalisation is necessary to overcome the impact of Covid-19.

While overseas business expansion was hindered by the pandemic, some firms are still looking for opportunities beyond Singapore. The most popular destinations for expansion continue to include Vietnam, Indonesia and China.

Not surprisingly, over half of Singapore companies state that travel continues to be a key aspect to do business. This means there is an urgent need for safe travel bubbles between countries in order to ensure a pick-up in overseas expansion.

*Straits Times*

### UNDESA's CSocD59 holds Event on Digital Technologies and Family Well-Being



The 59th session of the Commission for Social Development (CSocD59) of the UN Department of Economic and Social Affairs (UNDESA) took place from February 8 to 17, 2021 with the priority theme of "Socially just transition towards sustainable development: the role of digital technologies on social



## News Updates

development and well-being of all.”

The Commission hosted a High-level panel discussion on the priority theme, a Ministerial Forum, a Panel discussion on Emerging Issues, an Interactive dialogue with senior officials of the UN System, a Multi-stakeholder Forum, and a Civil Society Forum.

The Division for Inclusive Social Development (DISD) of UNDESA additionally organized two side events for CSocD59, one of which was “Digital Technologies and Families: Focus on Work-Family Balance.” The side event addressed both the positive and negative impacts of digital technologies on families and their well-being with a special focus on new technologies and work-family balance. It tackled the issues of fostering innovation and improving flexible working arrangements, and emphasized how new technologies can be harnessed to advance family well-being.

The first presentation by Professor Joseph Grzywacz, aimed to equip participants with ideas and strategies to enact

initiatives to help individuals, particularly women, achieve work-family balance. His presentation first discussed the predominant views of what “work-family balance” is, then described how alternative views translated into distinctive strategies for achieving it. Finally, it discussed how emerging technology may threaten or enable work-family balance in specific cultural contexts.

Professor Susan Walker’s presentation identified what work-family balance in the digital age looks like in its many iterations globally and culturally, and the complications in crafting a policy and practice response. Nevertheless, recommendations aligned with the Sustainable Development Goals can be offered to move forward.

The event also explored mega trends such as new technologies, demographic change, urbanization, migration and climate change and their impact on families as part of the preparations for the 30th anniversary of the International Year of the Family to be observed in 2024.

### ASEAN BAC and JBC issue joint statement on Myanmar



ASEAN Business Advisory Council



In a statement issued on February 15, the ASEAN Business Advisory Council (ASEAN BAC) and Joint Business Council (JBC) Dialogue Partners and Sector Champions join the 2021 ASEAN Brunei Chair’s urgent call for dialogue, reconciliation and immediate return to normalcy in Myanmar.

ASEAN BAC, as an integral

member of the ASEAN family, with a shared vision towards peace and prosperity for all, stated that they share the statement from the ASEAN Brunei Chair seeking for a swift and peaceful resolution of the situation in accordance with the will and interests of the people of Myanmar.

They add that alongside the push for deeper integration and harmonization

under the economic pillar of the ASEAN Community, ASEAN BAC wishes to see the continued progress of Myanmar in its various reforms to modernize its economy and attract foreign direct investments, so as to make its economy competitive and resilient especially during the pandemic.

The statement ends by expressing hope that the current situation may lead to upholding the best interests of the people of Myanmar, through the establishment of a business environment that builds trust and confidence, in the soonest possible time.

### CoNGO president, NGO leaders publish statement on the International Day of Education 2021

Liberato C. Baustista, President of the Conference of Non-Governmental Organizations in Consultative Relationship with the United Nations (CoNGO), jointly issued a 26-point statement on the International Day of Education 2021 with three other NGOs and their leaders: Maria

Helen Dabu, secretary general of the Asia South Pacific Association for Basic and Adult Education (ASPBAE); Franklin Shaffer, president and chief executive officer of CGFNS International; and Montse Rafel, director general of Dianova International.



The statement reaffirmed education as a human right, a public good and a public responsibility that must be publicly funded.

The leaders recognized the blessings and perils of online education, has exposed the wide digital divide, which has

since been exacerbated by the onslaught of the COVID-19 crisis. In the same vein, they recognized the importance of education especially for health and allied professions and their portability across borders, given the high demand but shortage of health



## News Updates

workers at the height of the pandemic.

“Education must foster civic engagement, democratic participation and social innovation,” the statement said. “Now is the time to develop global civic consciousness and innovate on a global civics education that fosters global citizenship and multilateral collaboration. Each of our countries, our people and the planet will be better for it.”

The leaders spoke of basic and adult education in a time of intersecting

pandemics, calling for “education to increase hope and decrease fear.”

“Education must expose fear brought about by threats to and violations against the dignity and human rights of persons, such as those generated by increasing racism, racial discrimination, xenophobia and related intolerance that alienate and divide people and communities from one another. These, on top of fears and anxieties resulting from intersecting crises of pandemic proportions—health crisis,

racial crisis, climate crisis, migration crisis, economic crisis, violence, and more.”

The statement closed with an urgent call for “advocacy and partnerships for education among civil society organizations, and among NGOs, the UN System, and States.”

CACCI, which has a consultative status with the United Nations under the Roster Category, is a member of CoNGO.

### ICC 2021 Rules of Arbitration Launch held in Taipei



The International Chamber of Commerce (ICC), ICC Chinese Taipei, and the Chinese International Economic Cooperation Association (CIECA) held the “ICC 2021 Rules of Arbitration — Launch in Taipei” on January 29. The event was held in-person at the Taipei International Convention Center (TICC), but was also accessible online.

ICC provides international arbitration and dispute resolution services and is accepted by all countries as the main mechanism for resolving business and investment disputes. This year, the ICC issued the 2021 version of the Arbitration Rules, which officially took effect on January 1. The rules regulate topics that have been discussed in recent years and have clear consensus, including additional parties, merger arbitration, and the composition of arbitral tribunals, among others. In addition, in response to the ongoing COVID-19 pandemic, clear regulations have been made for online court sessions.

In his opening remarks delivered via prerecorded video Alexis Mourre, President of the ICC International Court of Arbitration, mentioned that while overall, there were limited changes made to the rules, the changes that were made will serve

to improve the arbitration processes. In particular, certain articles were made more flexible, with greater transparency, and to provide better protection of parties’ rights in the fair process.

Claudia Salomon, currently a Vice President of the ICC Arbitration Court and slated to become its President in July 2021, delivered a Special Address on Investment Arbitration in Connection with the 2021 ICC Arbitration Rules. This was followed by a roundtable with arbitrators and ICC representatives, moderated by Lillian Chu, Member, of the ICC International Court of Arbitration and Senior Partner at Tsai & Tsai Law Firm.

Panelists who were onsite at the launch included Helena Chen, Partner at Pinsent Masons LLP; Shilin Huang, Partner at K&L Gates, LLP; Laylay Pan, Chief Financial Officer of United Renewable Energy Co., Ltd.; June Su, Director of the Legal Division at E Ink Holdings Inc. Dr. Mingchao Fan, Regional Director of ICC Arbitration and ADR, North Asia; Hazel Tang Counsel at the ICC International Court of Arbitration in Singapore; Michael Hwang, Solo Director of Michael Hwang Chambers LLC; and Steven Lim Arbitrator and Barrister at Singapore’s 39 Essex Chambers, participated in the panel virtually.

## News Updates

### Ankara Chamber of Commerce Convention and Event Center announces tender for new operator



The Union of Chambers and Commodity Exchanges of Turkey (TOBB) has announced a tender system for a new operator for the Ankara Chamber of Commerce Convention and Event Center (ATO Congressium). The scope of the tender is to lease ATO Congressium for the duration of 1+10 years.

ATO Congressium is located at the very center of Ankara, close to business, shopping and entertainment areas and 4-5 starred hotels. As a versatile commercial complex, the facility has the ability to serve a wide range of events from conferences to outdoor



events, from exhibitions to concerts. Detailed information about ATO Congressium and the tender is available [here](#).

Those interested in participating in the tender proceedings must submit their tenders to ATO Congressium by 2:00 p.m. (GMT+3) on March 08, 2021.

## Member Personalities

### Kazuo Nishitani is new Executive Director at JCCI



The Japan Chamber of Commerce and Industry (JCCI) has appointed Mr. Kazuo Nishitani to the position of Executive Director as of January 2021. Mr. Nishitani is also serving as General Manager of the International Division.

Graduating from Keio University's Faculty of Business and Commerce, Mr. Nishitani joined JCCI in April 1986, and served as Secretary-General of JCCI in the Philippines from 1995 to 1998. He held positions in JCCI's SME Promotion Division and

Information Technology Promotion Division before joining the International Division as Deputy General Manager in April 2009.

Mr. Nishitani has been widely involved in the work of the Chamber of Commerce such as the promotion of small and medium-sized enterprises (SMEs) and utilization of IT. He also has a wealth of experience in the international economic affairs division and is engaged in the promotion of international business, interaction of business people at home and abroad, strengthening of relations with international organizations, and other tasks. He is currently also a secretary general of the International Chamber of Commerce and Industry Japan (ICC JAPAN).

### Lalitpur Chamber of Commerce & Industry elects new President



Lalitpur Chamber of Commerce & Industry has elected Mr. Manoj Bahadur Nyachhyon as its new President. He assumed the position during the 41st Annual General Meeting and Election in January 2021, alongside other newly-elected board members. His

tenure will be until 2023.

Mr. Nyachhyon currently serves as Proprietor of Patan Khadya Bhandar, Managing Director of M.M. Nepal, and

Managing Director of Nyachhyon Trade Nepal.

He has been a member of the Lalitpur Chamber since December 2002. He was an Executive Member from 2010 to 2015, subsequently serving as Treasurer from 2015 to 2017, and then as Secretary-General from 2017 to 2020.

Mr. Nyachhyon also has associations with other organizations. He is Secretary General of the Lalitpur Food Trade Association, Charter President of the Lions Club of Lalitpur Creative; Vice President of the Nepal Siteriyu Karate Association, Pryagpokhari Dojo; and Vice President of Sun View Saving and Credit Co-operative Ltd.

### Asia's rise doesn't necessarily mean the West's decline

*By Yoichi Funabashi, Chairman of the Asia Pacific Initiative*



The COVID-19 pandemic has brought about a growing geopolitical perception of Asia's rise and the decline of the West.

To a large extent, East Asian countries have managed to control the number of infections and particularly the number of virus-related deaths proportional to population. By contrast, case totals are between 50 and 100 times higher in Europe and the United States. Even in Germany, which has put up the best fight against the virus in Europe, the COVID-19 fatality rate is almost 20 times higher than that of Japan or South Korea.

While the pandemic has dealt a devastating blow to economic activity in both the East and West, East Asia has a much easier path to recovery. China is acting as an engine of growth. Japan has seen an increase in capital investment (including planned investments) in manufacturing among large companies and the unemployment rate has barely passed 3%.

After emerging from the dark tunnel of the pandemic, East Asia may well be hailed as the winner and the West the loser.

After the successive attacks of the SARS, MERS and H1N1 influenza outbreaks, people across East Asia were already well aware of the need to prepare for a pandemic. Wearing masks to prevent the spread of infection is accepted as natural and within local cultures the decision to wear a mask is not understood as a statement of identity.

Moreover, there is widespread self-restraint and social pressure to balance the inherent tensions between individual liberty and privacy on the one hand, and social stability and order on the other. Legal constraints prevented the Japanese government from enforcing a lockdown, meaning the effort to suppress the spread of the virus was based on an appeal to the Japanese public for cooperation. Yet, Japanese citizens responded positively and actively participated in the government's campaign to change behaviors.

Another factor has been the relative strength of statecraft, or governance, and the extent of public trust in government. In East Asian countries, people generally responded to their governments' crisis response directives in the spirit of "public and private working together."

In Europe and the United States, meanwhile,

demonstrations unfolded as portions of the population rebelled against government measures regarding everything from mask-wearing to lockdowns. Across the Western democracies, state legitimacy has been shaken by demands for small government from the right and opposition rooted in claims of diverse identities and cultures from the left. A government's ability to manage its state weakens when people doubt its legitimacy.

The Regional Comprehensive Economic Partnership (RCEP) recently concluded between 15 East Asian countries is a fitting symbol of the rise of East Asia and the decline of the West. The United States did not join this partnership, but that did not prevent East Asian countries from moving forward without it. After the Trump administration withdrew from the Trans-Pacific Partnership (TPP), Japan exercised some imaginative diplomacy to conclude the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). China, meanwhile, showed a flexible diplomatic approach in the final lead-up to RCEP's conclusion.

While RCEP countries may lag behind in terms of transparency and free trade, including the treatment of state-owned enterprises, they make up one-third of the world's population, and boast a GDP larger than that of the European Union. Projections show that ASEAN will be the world's fourth largest economy by the end of the decade.

Wendy Cutler, who led trade negotiations during the Obama administration, has urged the United States to rejoin Asian free trade frameworks such as the CPTPP, and warned that while "some (may) quickly dismiss the (RCEP) initiative... That would be a mistake... We need to keep in mind that the current agreement won't be the last word: (ASEAN-based pacts) typically call for improvements over time, making them 'living agreements.'"

The COVID-19 crisis could further solidify the perception of Asia-Pacific Asianism — or "the Asianization of Asia" — that has arisen with China's evolution into a global superpower and the U.S. withdrawal from the TPP.

But the post-pandemic world is no simple seesaw game in which East Asia rises and the West falls.

First, the pandemic is not yet over. No country in either East Asia or the West has found the optimal response to the pandemic that balances the three concerns of: protecting citizens' lives and health; the economy and livelihoods; and freedom and privacy.

The future of the U.S.-China conflict is another unknown. American distrust of China, which has deepened over the course of the COVID-19 crisis, is unlikely to lessen under the incoming Biden administration. American values and strategic interests have been threatened by China's military-civilian fusion industrial policy and its expanding "closed sphere of influence" in the Asia Pacific, its growing threat to the American way of life,





## Special Features

and the weakening of the U.S. network of alliances. Meanwhile, U.S. allies (Japan, Australia, South Korea) and partners (Vietnam, Indonesia, Singapore) have high expectations for an American comeback in Asia.

East Asia has no desire to exist within a dichotomy, whether in relation to the United States and China, China and Japan or East Asia and the West. Many East Asian countries rely on the United States for their security and on China for

their economy. They must retain some ambiguity in order to walk a delicate diplomatic tightrope. This is equally true for America's most important ally in East Asia: Japan.

*Japan Times*

## From Farm to Consumer: How Blockchain is Paving the Way for The Shifting Supply Chains of South East Asia

*By Ashley Reeves, Partnerships Director for DECENT Group a.s.*

Beyond finance and cryptocurrencies where Blockchain has undeniably gained prominence, exists a sea of opportunities for Blockchain implementation in 'Software As A Service' solutions. Cryptocurrencies often get a bad rep, with the constant price fluctuations, hacks and regulations. However, as a fundamental technology, Blockchain or 'Distributed Ledger Technology' solves problems regarding a few key pointers: governance, provenance of data, as well as immutability/authenticity of data. Hence, outside of cryptocurrencies, the fact that Blockchain has a myriad of uses has prompted regional governments to warm to the technology, with logistics and supply chain solutions considered as one such industry to massively benefit from integration.

The supply chain industry, from both a company as well as a consumer perspective, want to seek assurances on many instances. Some common questions include:

- How do we know that the coffee we drink is fair trade?
- How do we know that a designer bag is original?
- How do we know that a PPE Mask manufactured in Vietnam is, as it states, actually from Vietnam, and that the tag was not simply added on to the pallet at later date?
- How can we assure that the mango sourced from Thailand was delivered on time?

Blockchain technology can essentially provide assurances to all the above.

### **Current Landscape in the SEA region**

The reception by South East Asian countries in implementing start-up ecosystems in the Blockchain space has, overall, been very positive.

In Singapore, for example, the NEM foundation was setup as a Non-Profit to serve regional governments, academia, and private institutes looking for Blockchain digital transformation. In 2018, NEM set up the NBC (NEM Blockchain



Centre) in collaboration with the Malaysian government, acting as an incubator, learning centre and accelerator for Blockchain start-ups.

In Thailand, a partnership between blockchain company Tezos and Chulalongkorn University provides educational courses and blockchain fundamentals to computer science students.

There are also partnerships in countries like the Philippines (with local arm of Union Bank), and Vietnam (with SBV, the State Bank of Vietnam), and more are all looking at ways to provide a safe sandbox for Fintech Blockchain applications — and by extension, BaaS (Blockchain As A Service) solutions.

### **Shifting Tides**

With the shifting of supply chains across the region, blockchain applications outside of cryptocurrencies have been flourishing in many sectors, including logistics. In Vietnam, two companies are paving the way for implementation of blockchain supply chain solutions.

LINA Networks provides instant verification of a product's origin, while WOWTRACE, a traceability solution combines blockchain, AI and cloud computing to great effect. These companies and many more are paving the way for the traceability of products especially in a fluid and ever evolving landscape.

### **Fundamentals**

With these opportunities in mind, blockchain solutions can aim to solve some of the most pressing challenges in the logistics space, which include but aren't limited to:

- Lack of security
- Lack of common standards
- Negative impact on product processes
- Lack of infrastructure costs

Blockchain solves many of these problems in supply chains, since it acts as a powerful shared ledger with an immutable



## Special Features

record of everything that was documented.

By establishing a transparent chain with businesses and suppliers, various stages of a supply chain can be automated, with scanning and auditing done on the fly using smart contracts. These smart contracts on the blockchain elevate automation by storing predetermined terms and conditions, which are then digitally enforced.

### Use-case



One of the pioneers of BaaS solutions is Slovakia's DECENT group a.s., which, in collaboration with Supply Chain expert 3IPK, successfully made a host of partnerships in traditional non-finance verticals, one being the traceability product for Lyra Chocolate. Lyra, a Slovak Chocolatier, is a great example of how a company that vertically controls its supply chain wants to solve

a number of its problems by providing transparency for its clients, as well as offering a lightweight solution digital solution to the farmers of the cocoa beans. Whilst in this instance the farmers are based in Colombia, the process is equally applicable to any export country.

The traceability solutions provide value to all stake holders of the chocolatier. For the end consumer, they are finally able to feel confident that the beans were sourced and manufactured ethically. The consumer is also able to get a narrative and feel connected to the supplier. The farmers for the first time are able to use digital products in a lightweight manner (using simply a phone camera), with no complex RFID scanners or equipment needed. Finally, the Chocolatier, is able to get accurate analytics from both the farms and the consumers.

An end to end product Demo can be viewed [here](#).

### Regional Opportunities

With blockchain making bigger and bolder headways in the region, exporters could potentially use the revolutionary technology to massively save costs, automate and provide authenticity to their customers.

Both the public and private sectors in South East Asia are actively seeking ways to leverage Blockchain so the timing is ripe for the future in digital logistics transformation.

## Product & Service Councils

### Asian Council on Food and Agriculture

#### Market for meat substitutes growing in Japan



The market for soybean-based meat substitutes is expanding in Japan, arousing expectations that they might serve as an environment-friendly solution to anticipated future food shortages.

Restaurant chains and major

food makers have introduced a series of soybean-based meat substitutes. The Freshness Burger chain serves teriyaki hamburgers using soybean sprout chips supplied by Daiz Inc., a venture business based in Kumamoto. The chips are flavored with soy sauce malt.

Released last October, the new product is aimed at attracting health-conscious women, as it has some 20% fewer calories than the restaurant chain's conventional meat-based hamburgers.

NH Foods Ltd. introduced in March last year meatball and four other meat-substitute products with the mouthfeel of mincemeat, setting a bullish annual sales target of ¥500 million.

Itoham Foods Inc., a subsidiary of Itoham Yonekyu Holdings Inc., launched ground meat cutlets and other products made from soybeans in the spring of 2020 and has since chalked up sales twice as big as expected.

The Japanese market for meat alternatives using vegetable protein is forecast to grow about 2.3 times in the coming decade to ¥78 billion in 2030, according to Tokyo-based research company Seed Planning Inc.

Production of edible meat requires large amounts of water and grain to feed cows and other animals, whose belches and flatulence include greenhouse gases. It has been estimated that the livestock industry accounts for more than 10% of heat-trapping gases linked to human activity.

While the livestock industry is increasingly viewed as unfriendly to the environment in the United States and Europe, increased use of meat substitutes is expected to help reduce greenhouse gas emissions.

The United Nations forecasts that the world population will grow to 9.7 billion by 2050 from 7.7 billion in 2019. As a steep increase in the production of edible meat is impossible, the projected population



## Product & Service Councils

growth is likely to cause an acute shortage of meat. The world therefore needs “new sources of protein,” said an official at a major Japanese food manufacturer.

Last October, Japan’s Ministry of Agriculture, Forestry and Fisheries set up

a public-private council with more than 260 organizations, including food makers, universities and financial institutions, to promote the use of cutting-edge food and information technologies for collaborations in the production of meat alternatives and

other next-generation food products.

The council will also work out certification standards for safe, high-quality and environment-friendly food products.

*Jiji*

### **Asian Council on Health and Education**

#### **Union urges compulsory native-language classes in Taiwan**



*Tainan City Councilor Kumu Hacyo (2nd from right), Save Compulsory Ethnic-Language Secondary Education Aboriginal Teachers’ Union representative Yu Nien-hua, 2nd from left, and KMT Legislator Sra Kacaw (R)*

An Aboriginal teachers’ union in Taiwan has called for compulsory native-language education for all grades, in response to new curriculum guidelines that only mandate such classes until the ninth grade.

The Ministry of Education, in a curriculum meeting on January 9, decided to make classes in “national languages” compulsory once per week for seventh and eighth-graders, after which it would become elective, although schools must still offer at least one class per week.

According to Article 9 of Taiwan’s Development of National Languages Act, national-language classes are required “at all stages of compulsory education.”

The ministry has said that Aboriginal languages are at risk of disappearing, yet has decided not to require them in the secondary-school curriculum, Save Compulsory Ethnic-Language Secondary Education Aboriginal Teachers’ Union representative Yu Nien-hua told a

news conference at the Legislative Yuan in Taipei.

This not only risks disrupting educational continuity, but would also make basic implementation more difficult, Yu said.

Teaching quality and materials for seventh and eighth-graders would also suffer as a result, he added.

The ministry should cover all training costs of full-time native-language teachers to resolve the issue of a shortage of teachers instructing such languages, he said.

It should also finance and provide guidance for those looking to publish native-language educational materials, so that teachers could have more sources to draw upon, Yu added.

Lastly, it should clarify the wording in the act to specify “at every level and every grade,” as the current text intends, he said.

Aboriginal languages are facing extinction, yet are being ignobly sacrificed in national policy for the sake of capitalism and credentialism, union representative Pai Hui-lan said. Chinese Nationalist Party (KMT) Legislator Sra Kacaw added that aboriginal languages, Hakka and Hoklo

(commonly known as Taiwanese) are all “national languages.”

The act clearly stipulates that national-language classes must be compulsory at all levels, making the ministry’s decision brazenly illegal, he said.

Minister of Education Pan Wen-chung later said that the decision fully accords with the act and vowed to prepare all necessary teachers and materials before its implementation next year. In response to the group’s requests, Pan said that local governments can already provide funding for native-language courses, while the ministry offers teacher training.

As for educational materials, he said that the ministry edits secondary-level texts for Aboriginal languages and offers financial assistance to local Aboriginal resource centers to develop new material.

However, the ministry would continue to encourage the development of textbooks to diversify available offerings, he added. In its resolution, the curriculum committee also decided to amend the act to categorize national languages as “ministry-mandated curriculum,” Pan said.

*Taipei Times*

### **Asian Council Tourism**

#### **Tourism on track in the world’s largest cave in Vietnam thanks to local boost**

Vast rock formations the size of multistory buildings loomed above Ho Minh Phuc as he picked a path through the gloom inside the world’s largest cave.

Phuc, who once earned a living through illegal logging, is a porter for the

small tour groups that explore Vietnam’s Son Doong — a cave so large it has its own ecosystem and weather patterns.

Home to flying foxes and a 70m rock formation resembling a dog’s paw, the cave is an otherworldly wonder that has reshaped the lives of the surrounding community since it opened for boutique tourism in 2013.

Trapped in poverty, young men like Phuc once had little choice but to forage in the depths of Phong Nha-Ke Bang National Park — the World Heritage site where Son Doong lies. There they searched





for precious agarwood, a hugely sought-after material known as “the wood of the gods” and widely used for incense. Others eked out a living from hunting endangered civets and porcupines in the forest.

“We had to do all we could to avoid the forest rangers,” 35-year-old Phuc told reporters. “We did nothing good for nature.”

Son Doong in central Quang Binh Province was first discovered by local forager Ho Khanh in 1991, when he stumbled upon an opening in a limestone cliff and heard the sounds of a river deep inside. However, after returning home through the thick surrounding jungle, Khanh forgot where the hidden entrance lay, and it stayed lost for another two decades.

When he eventually led a team of British experts back there in 2009, the team found it had the largest cross-section of any cave anywhere on the planet.

It is large enough to house the 40-floor skyscrapers of an entire New York City block, according to adventure tour

company Oxalis, which guides visitors into the caves.

When Son Doong was opened to tourists four years later, the lives of Khanh and hundreds of locals changed forever. They soon became porters and guides, and opened their homes to guests wanting a bed for the night.

“Some became rich with logging, but most lived a very hard life,” Khanh, now 52, said of the time before the cave was opened to the outside world. “When tour companies came in, I told the youngsters their first duty was to protect the environment so as to benefit not just ourselves, but also our children ... so life can improve,” he said.

Before the COVID-19 pandemic, Vietnam’s tourism industry was booming, but the communist country has come under fire for failing to preserve landscapes as it rapidly expands the sector.

The area has so far largely stayed clear of the mass tourism model used in other Vietnamese holiday hotspots such as Halong Bay, where cruise ships have spewed sewage into once-pristine waters.

With only one company given permission to operate in each of the key caves, there is an incentive to protect them, with numbers of visitors limited and prices kept high. However, challenges lie ahead, UNESCO has said.

Poaching remains among the national park’s “most serious threats,” it said in a report that also raised concerns over a proposal to build a cable car to

nearby Hang En cave. Logging has also not disappeared — 18 people were sentenced last year for cutting down trees in the national park.

As COVID-19 swept the globe, locals catering to international travelers have struggled. Khanh said his guests are 90% down since the pandemic began.

However, Son Doong has weathered the crisis fairly well overall, thanks to a boost in visitors among Vietnam’s fast-growing middle class. The high-end tourism model of the caves — which provides about 500 jobs for the local community — has begun to attract interest in other areas, Oxalis said.

However, industry professionals are skeptical that the pandemic could spark a change in direction across the country.

Vietnam’s tourism industry has done “some very good policymaking, but they’ve generally ignored their own policies,” said Peter Burns, a tourism planning consultant and professor who worked on a five-year EU-funded sustainable tourism project in Vietnam. Despite strong environmental protections in place, “they tend to build stuff anyway,” he said, pointing to the spread of high-rise hotels in Halong Bay.

For Phuc, it is crucial that the pandemic does not lead to a similar outcome in Son Doong. “If we expanded into mass tourism, it would of course harm the natural scenery,” he said. “That would be terrible.”

AFP

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

#### **Renewable Energy gets a Second Wind**

With Japan announcing a goal to become carbon neutral by 2050 and President Joe Biden signing an executive order to bring the U.S. back into the Paris Agreement, a wave of momentum toward curtailing climate change is growing at home and abroad. And Japanese businesses are following in that wake as they push

forward their plans to switch to renewables.

Mitsubishi Estate Co., Tokyu Land Corp. and Yahoo Japan Corp. are among the major companies shifting their energy sources to renewables, as the need to be environmentally friendly is increasingly becoming a key factor in expanding their respective businesses.

Mitsubishi Estate, a developer that owns offices and shopping complexes in Tokyo’s Marunouchi district, has unveiled a plan to have its facilities in the district run completely on renewables by April 2023.

Initially, the developer, which manages about 30 properties there, was going to make the shift in phases — several

properties a year — but the government’s new target announced by Prime Minister Yoshihide Suga in October has prompted the firm to move faster, a company spokesman said.

For fiscal 2021, starting in April, the developer said 18 properties will begin to run 100% on renewables, including the Marunouchi Building and the Shin-Marunouchi Building in front of Tokyo Station.

This will bump up the firm’s renewable energy rate to 30% compared to the current 3%. That is expected to cut its annual carbon dioxide emissions by 160,000 tons, or roughly 80% of the total



## Product & Service Councils

emissions from all Mitsubishi Estate-owned buildings.

Another prominent developer and player in the Tokyo real estate market, Tokyu Land, is also shifting to renewable energy earlier than it initially planned. It is considering accelerating its plan to shift its buildings to 100% renewables to 2025 from 2050, a company spokesman said.

With the momentum toward green energy resources among companies growing rapidly around the world, the renewable shift “is becoming an essential factor for companies to continue and expand their businesses,” said Masaya Ishida, senior manager at Renewable Energy Institute.

Ishida pointed out that foreign firms renting office spaces in high-rise buildings in Tokyo’s bustling business districts have requested building operators to use renewable energy, forcing more Japanese firms to take that into consideration in the coming years.

For real estate players like Mitsubishi Estate and Tokyu Land, “switching to 100% renewable power will help them attract and keep tenants,” Ishida said.

Real estate developers are not the only ones keen to switch to green energy sources. Yahoo Japan Corp. also



announced that it has set a goal to shift to 100% renewable energy in three years. According to Yahoo Japan, 95% of its electricity consumption comes from the data centers.

Its data center in Washington is already running 100% on renewables, the company said, adding that it will make the shift for its two domestic centers in Fukuoka Prefecture.

In the IT sector, global tech giants are ahead of the game. Apple Inc., which has already shifted to 100% renewables for its own operations, is now aiming to have its suppliers become carbon-neutral by 2030.

Yahoo Japan’s parent company Z Holdings Corp. said it aims to become a member of RE100, an international initiative run by the Climate Group and an environmental nonprofit organization CDP, for major multinational firms to be publicly committed to the 100% renewable target.

According to RE100’s website, 284 companies have joined the initiative, with more than 40 Japanese firms participating, including Mitsubishi Estate and Tokyu Land.

The momentum toward renewables is growing not only among large companies but also among small and mid-sized businesses in Japan. The number of participants in RE Action, a domestic framework launched in October 2019 for smaller companies, municipalities, schools, medical institutions and other groups to commit to 100% renewables, topped 100 in December.

Many firms have joined the initiative following Suga’s announcement of Japan’s 2050 goal for carbon neutrality, according to the organizing group.

The cost of renewable energy is still high in Japan, which could hamper a shift for some big companies that tend to have various operation bases across the country and consume a huge amount of electricity, Ishida of Renewable Energy Institute said.

But “smaller companies don’t have a lot of operation bases and use less electricity, so it’s possible for them to make a swift shift if they think it’s worth the cost,” he said.

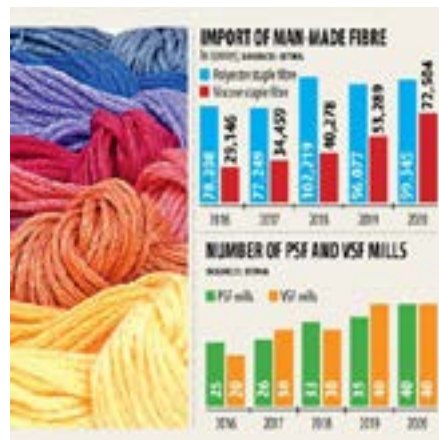
*Japan Times*

### Asian Textiles and Garments Council

#### Garment makers turning to artificial fibres

Import of man-made fibre (MMF) as well as investment in its business is increasing in Bangladesh because of higher demand for polyester and viscose-made garment items worldwide.

Local spinners imported 99,345 tonnes of polyester staple fibre (PSF) in 2020, up 3.4% from 96,077 tonnes a year ago even during the coronavirus pandemic, according to data from the Bangladesh Textile Mills Association (BTMA).



Currently, 40 spinning mills import PSF fibre to make yarns to produce high-end garments, such as sportswear. The import of viscose staple fibre (VSF) rose last year as well, as spinners brought

in 72,504 tonnes of VSF, an increase of 36% year-on-year.

The import of MMF has been on the rise over the last few years because of the surge in demand of fabrics made from the fibre as an alternative to cotton. Since MMF is used as a substitute for cotton fibre, all of the imported MMF is used by local millers.

People are buying more MMF-based apparels as they are durable, recyclable and re-useable. MMF also meets the criteria for sustainable clothing compared to cotton-based fibre. Moreover, due to lifestyle changes, consumers are looking for products that are easy to care for. MMF adds to that convenience, spinners say.

Nearly 30% out of \$8 billion investment in the primary textile sector



## Product & Service Councils

in Bangladesh took place in the MMF segment, up from 20% three years ago, spinners said.

“The investment in MMF is growing as people are choosing the fabric as a substitute to cotton fibre,” said Md Khorshed Alam, chairman of Little Star Spinning. The use of MMF increased because of higher production of value-added garment items, he said.

In 2017, the global trade of MMF-based apparel was \$150 billion. Bangladesh

had a 5% share in the segment, compared to 10% of Vietnam.

Currently, more than 120 spinning mills out of a total of 500 have the production facility for PSF and VSF, said Monsoor Ahmed, secretary of the BTMA. Member factories of the BTMA are expanding the production facility of PSF and VSF every year as the demand is increasing worldwide, he said.

Since setting up a separate spinning mill dedicated to PSF and

VSF yarn production is expensive, most producers make yarn from MMF in the same mill with separate lines. It costs Tk 80 crore to Tk 120 crore to set up a medium-sized MMF spinning mill in Bangladesh, Alam said.

BTMA President Mohammad Ali Khokon said the import of MMF needed to be duty-free like cotton as the demand of yarn was increasing. The imposition of 5% VAT on the sales of yarn is a discouraging factor for the sector, he said.

*The Daily Star*

## Investment & Joint Ventures in the Region

### Hon Hai to Set Up Vehicle Venture



Apple Inc’s local manufacturing partner Hon Hai Precision Industry Co, known as Foxconn Technology Group outside of Taiwan, is setting up a vehicle venture, strengthening its automotive capabilities at a time when technology companies, including its California ally, are looking to expand in automaking.

Hon Hai is joining forces with Chinese automaker Zhejiang Geely Holding Group Co to provide production and consulting services to global automotive enterprises, the companies said in a statement on January 13.

The production and consulting services are related to whole vehicles, parts, intelligent drive systems and automotive ecosystem platforms, Hon Hai said in a filing with the Taiwan Stock Exchange.

Each party is to hold a 50% stake in the new joint venture, FuTaiHua Industrial (Shenzhen) Ltd, with Hon Hai

appointing three directors, including the chairperson, to the venture’s five-member board and Geely appointing two, the filing said.

Amid reports of Apple considering making its own electric vehicles (EVs), Hon Hai has been bulking up its automotive muscles swiftly. Such moves might help the company become a major contender to make vehicles for its largest customer.

With development work still at an early stage, Apple would take at least half a decade to launch an autonomous electric vehicle, people with knowledge of the efforts have told Bloomberg News.

That suggests the company is in no hurry to decide on potential auto-industry partners.

Hon Hai in October last year unveiled its first-ever EV chassis and a software platform aimed at helping automakers bring models to the market faster.

It plans to deliver its first development kit in April, with Hon Hai chairman Young Liu saying that EV-related business in the first half of this year would be “very good.”

Hon Hai’s key unit, Foxconn Technology Co, is reportedly expanding a plant to develop automotive metal parts.

Hon Hai had earlier signed a manufacturing deal with embattled Chinese electric-vehicle start-up Byton Ltd with the aim to start mass production of the Byton M-Byte by the first quarter of next year.

Setting up an auto plant can cost billions of US dollars and take years, which is probably why Apple is talking to potential manufacturing partners.

The company has continued to investigate building its self-driving vehicle system for a third-party auto partner rather than its own vehicle, the people familiar with matter have said, and the company could ultimately abandon its own vehicle efforts in favor of this approach.

*Bloomberg*

### Cisco to open software development center in Taiwan



American IT, networking and cybersecurity solutions provider Cisco Systems Inc. said on January 13 that it will open a software development center in northern Taiwan, making the facility the first of its kind for the company in the Asia-Pacific region.

## Investment & Joint Ventures in the Region

The software development center will be in New Taipei's Linkou District, and is scheduled to be inaugurated after the Lunar New Year holiday, which ends on February 16, according to George Chen, senior vice president of Cisco's Greater China operations and head of Cisco Taiwan.

Echoing Chen, Robert Feng, chief technology officer of Cisco Taiwan, told reporters that the software development

center will house tech start-ups from around the country. With the assistance of his company's presence, these Taiwanese firms are expected to speed up their pace of product development, he added.

In the initial stage, Feng said the software development center will be aimed at rolling out solutions for information security by integrating the resources of Cisco and the start-ups. In the longer term,

he went on, Cisco will team up with these start-ups to push for new applications in the global market.

According to Cisco, the company already operates similar software development centers in the U.S. and Europe.

*CNA*

### Google to make Taiwan its main hardware R&D hub outside US



Google on January 27 pledged to expand its research and development team in Taiwan, making it the American tech giant's biggest hardware engineering hub outside the U.S., in a sign of the democratically ruled island's growing significance in the global supply chain.

Elmer Peng, vice president for hardware at Google Taiwan, told Nikkei Asia in an interview that most of Google's hardware products -- including Pixel smartphones, Nest smart speakers and other connected devices -- are built and developed in Taiwan.

"Taiwan's team ... is set to be responsible for an even wider range of hardware lineup developments in the future," Peng said. "It's really the core of our global hardware taskforce."

Google's headcount in Taiwan grew 10-fold between 2016 and 2020 with offices across six cities, Peng said, without offering a precise number of employees locally. He said the workforce will continue to expand in the next five years.

The planned hiring covers hardware engineering, project managers, sales and marketing, supply chain management and user interfaces, and the company also needs experts on software and data centers, Peng said. "We really value the quality of Taiwanese engineers

and its complete supply chain ecosystem and its agility ... but we hope also to attract global talent here."

The company recently opened its new 16-story hardware engineering center in New Taipei City and said it planned to open another building in the same compound in 2023 for its growing workforce. Google will also increase internship opportunities with positions in hardware engineering and Google Cloud service collaboration with Taiwanese universities this year.

Google has been stepping up its investment and engagement in Taiwan in the past few years. In September last year it announced it will build its third data center on the island, after it set up its second data center in Taiwan in 2019.

The company has said it selected Taiwan because of its "geographic advantages" as well as the fact that multiple deep-sea communication cables connecting the U.S. and Asia pass through Taiwan, making it an important location for

data centers. Singapore is Google's other location for data centers in the Asia Pacific region.

The hardware supply chain in Taiwan is another key attraction for Google. The company in 2017 acquired Taiwanese smartphone brand HTC's research and development team, which worked on Google's Pixel smartphone, for \$1.1 billion. The team includes around 2,000 hardware and software engineers.

Google also has a deep collaboration with Taiwanese tech suppliers. It develops its own artificial intelligence accelerator chips, made by Taiwan Semiconductor Manufacturing Co., while its Pixel phones are assembled by Foxconn and Compal Electronics.

The company also has close relations with Quanta Computer, which helps Google build its Chromebook and data center servers.

*Nikkei Asia*

### Indonesia's Kalbe raises \$55m to grab ASEAN biologics market



Global private equity firm General Atlantic will invest \$55 million in a Jakarta-based biopharmaceutical joint venture between Indonesia's largest drugmaker, Kalbe Farma, and South Korean biotechnology company Genexine,

as the venture seeks to become a dominant player in Southeast Asia's biological pharmaceuticals market.

Sie Djohan, president director of the joint venture, Kalbe Genexine Biologics, better known as KGBio, said on January 27 that 60% of the funds will be used to support the company's portfolio expansion and innovations, 30% to expand production capacity and 10% for clinical trials.

"Biologics have emerged as an important category of drug development over the past 20 years, with breakthrough advances in disease management, particularly in areas such as immunology, a key focus area for the Kalbe

## Investment & Joint Ventures in the Region

Group and KGBio,” the companies said in a joint media statement. “KGBio’s ambition is to play a leading role in increasing biological and biosimilar drug availability in the Southeast Asia region,” the statement said.

KGBio, founded in 2016, develops biological cancer drugs, including one that seeks to take advantage of the body’s immune system to fight the disease, an approach called immuno-oncology.

In contrast to conventional drugs made from chemical substances, biopharmaceuticals or “biologicals” are

produced, extracted or semi-synthesized from biological sources such as proteins and living cells to create treatments such as vaccines, and cellular and gene therapies.

A combination of factors, including affordability constraints and lack of local manufacturing capabilities, have slowed the spread of biologicals in Southeast Asia.

Irawati Setiady, president commissioner of Kalbe Farma, said biologicals are a “key growth lever” for the Kalbe Group, which is also trying to expand its nutritional division this year

to capitalize on greater interest in these products stemming from the coronavirus pandemic in 2020.

Ashish Saboo, managing director and head of General Atlantic’s Indonesia operations, said: “KGBio is committed to meeting the challenging health care needs of the Southeast Asia region by providing effective, affordable treatments for chronic health conditions. We are thrilled to back KGBio on their journey to drive global biotechnology innovation.”

*Nikkei Asia*

### Airswift and EPI Group target renewables with joint venture



Global workforce solutions provider Airswift has formed a joint venture with EPI Group, with a view to creating “a formidable portfolio” of renewable energy services within the APAC region.

Building on a six-year partnership, the collaboration will offer a combination of end-to-end services across the project lifecycle.

Airswift will provide managed services expertise, recruitment and mobilization of multi-discipline teams, complemented by EPI Group’s specialist technical and environmental capabilities across project development, construction and monitoring, to ensure successful operations for developers in offshore wind, solar and geothermal.

Airswift signed a JV with Taiwan-based HR and payroll software solution provider Take5People in December, and Maxime Degaldi was appointed in the newly created role of China Country Manager last summer, as it continues to bolster its regional profile.

“We’re already seeing a lot of movement in the region, for example the growth of offshore wind in Vietnam and Taiwan,” said Charles Pfauwadel, VP Asia

at Airswift. “Our partnership enables us to provide a greater range of services across APAC, allowing companies to navigate different jurisdictions and regulations easily.”

Ben Dyton, VP Asia-Pacific at EPI Group said the tie-up with Airswift - which was ranked 48th in the list of the world’s largest staffing firms in December - strengthens its existing range of services.

“With over 20 operational locations across the APAC region alone, Airswift’s truly global approach and reach is unparalleled,” adding that the joint venture is a perfect fit which will bring client benefits.

EPI Group has several local employees focused on the joint venture who will be based out of Airswift’s Kuala Lumpur office.

*Energy Digital Magazine*

### Israel’s SixAI signs strategic Israel-Korea joint venture deal

Israeli robotics tech company SixAI has signed a strategic agreement to form a joint venture with South Korean semiconductor test solutions giant ISC and tech-focused investment company Yozma Group Korea.

The venture will allow SixAI to make use of ISC’s manufacturing capabilities in South Korea. ISC also expects sales growth by expanding the business to AI-based test inspections and strengthening the lineup of nonmemory



chip testing solutions.

The companies aim to collaborate to secure opportunities in the USD 4 trillion AI robotics market.

The strategic agreement was signed in Seoul. The signing ceremony was attended by several distinguished guests, including Lee Won Jae, administrator of the Incheon Free Economic Zone; Chung

Young Bae, ISC chairman; Lee Hwan-kyun, former minister of transport and construction; and Akiva Joseph Tor, Israeli ambassador to the Republic of Korea since November 2020.

Founded in 2019 by a team of Israeli professionals led by serial entrepreneur Ran Poliakine, SixAI is a tech and investment company specializing in AI robotics and related IP.

Ambassador Tor called the partnership with ISC a “prime example of ‘scaling up together’ and the potential for Israel-Korea high technology cooperation.”

By applying this cooperative model, Yozma plans to actively support the



## Investment & Joint Ventures in the Region

global commercialization of SixAI. Yozma Group Korea has been creating a global business model that matches Korea's manufacturing technology with overseas technology companies.

Established in 2001, ISC is a global total test solution company with parts and modules for the test process of semiconductor manufacturing, and has the top market share in the global test socket

market. ISC develops and produces test sockets needed to test IC chips used in semiconductors, IT, BT, automobiles, and various electronic parts. The company specializes in growth sectors such as AI, VR, autonomous vehicles, and IoT products.

"This joint venture will provide us with a bridgehead into global AI robotics and allow us to play a crucial role in the

Industry 4.0-related market," said Chung Young Bae, chairman of ISC. "I believe creating synergy between Israeli creativity and ISC's innovative technologies will prove incredibly efficient as we look for opportunities in the market and develop solutions.

*KrAsia*

### Ivanhoe Cambridge, PAG announce joint venture for Japan logistics investments



Ivanhoe Cambridge, the real estate arm of Caisse de Depot et Placement du Quebec, Montreal, and Hong Kong-

based alternatives and public markets investment manager PAG have launched a joint venture to invest in logistics facilities serving Japan's biggest urban centers.

Ivanhoe Cambridge and PAG's Japan Logistics Venture will have the capacity to make investments of up to \$400 million, including leverage, in high quality logistics facilities serving greater Tokyo and greater Osaka, with potential for tactical investments in greater Nagoya as well, according to an Ivanhoe Cambridge spokeswoman.

The spokeswoman said the joint venture will be making Ivanhoe

Cambridge's first direct logistics investments in Japan.

Ivanhoe Cambridge already has logistics investments in Singapore, Australia, China, India and Indonesia, George Agethen, Senior Vice President Asia-Pacific, said in a news release.

The joint venture will "assemble and operate a diversified portfolio of logistics properties through the acquisition of both income producing and development assets," the news release said.

PAG manages \$40 billion for more than 150 institutional investors globally.

*Pensions & Investments Online*

## Economic Cooperation News

### Japan vows to support Senegal's response to pandemic



*Japanese Foreign Minister Toshimitsu Motegi (Reuters)*

Japanese Foreign Minister Toshimitsu Motegi vowed support for Senegal's health and medical systems

in response to the novel coronavirus pandemic during a recent three-day trip to the West African country, according to Japanese officials.

Motegi told Senegalese President Macky Sall and his counterpart Aissata Tall Sall in separate talks that Japan will back Senegal's efforts to promote universal health coverage to ensure basic medical care for all citizens, the Japanese Foreign Ministry said.

Senegal's foreign minister thanked Japan for its support and requested its cooperation in securing coronavirus vaccines for the country and in resolving the debt problems of developing countries, it said.

The minister also expressed support for realizing a free and open Indo-Pacific, a vision Tokyo is pushing to promote

the rule of law, freedom of navigation and enhance regional connectivity through high-quality infrastructure, the Japanese ministry said.

Japan is pitching the vision in its diplomacy in Africa amid China's rising clout in the continent. Motegi's African visit came as Chinese Foreign Minister Wang Yi traveled to Nigeria, the Democratic Republic of the Congo, Botswana, Tanzania and Seychelles.

The Senegalese foreign minister said she supports Japan's view completely and will actively seek to realize the vision, the ministry said.

Prior to the meetings, Motegi and Senegal's economy minister Amadou Hott exchanged notes regarding Japan's extension of up to ¥7.17 billion (\$69 million) of low-interest loans to Senegal to

improve rice production and help raise its food self-efficiency rate, it said.

Motegi, who visited Senegal after concluding a five-nation Latin America tour

to Mexico, Uruguay, Argentina, Paraguay and Brazil, then traveled onto Kenya before returning to Japan on January 14.

Motegi's Africa tour follows his

trip to Tunisia, Mozambique, South Africa and Mauritius in December last year.

*Kyodo*

## Creative content agency, French festival ink MOU



The Taiwan Creative Content Agency (TAICCA) has signed a memorandum of understanding (MOU) with the organizers of France's NewImages Festival to boost extended-reality (XR) cooperation and coproductions between the two nations.

First held in 2018 and hosted by the Forum des images, the Paris-based festival is the largest immersive content festival in France, and a pioneer in virtual-reality content and immersive creation, the agency said in a statement.

The agreement will strengthen ties between the XR industries in the

two nations by accelerating exchanges between Taiwanese and French creators and professionals, according to TAICCA. It seeks to provide opportunities for cooperation and business, and help Taiwan become a global leader in XR content, the agency said.

The two organizations are to select 10 Taiwanese XR professionals to attend the fourth NewImages Festival from June 9 to 13, following an open call for applications. Prior to the opening of the festival, a "Taiwan-France XR Day" event is to be held as a platform for Taiwanese and French XR professionals to engage in workshops, discussions and one-on-one matchmaking sessions.

Applications to the networking program are open until March 12, with details available at [taicca.tw/article/c061ffca](http://taicca.tw/article/c061ffca).

Meanwhile, the agency said it will invite 10 French XR professionals to attend this year's Taiwan Creative Content Fest, which held its first event in November last

year. Their participation would facilitate a better understanding of Taiwan's plans for advancing content, and open up more opportunities for collaboration, it said.

They might join the festival virtually depending on the COVID-19 situation, it added.

Taiwan's XR ecosystem is developing rapidly, and several important achievements have demonstrated the nation's success in the integration of XR hardware and software, TAICCA chairperson Ting Hsiao-ching said.

The agency and the NewImages Festival share common goals and values about XR creation, Ting said, adding that she is optimistic the partnership would result in stronger contact between XR talent from the two nations.

The agency's many schemes and international coproduction programs could help take Taiwanese and French collaboration on XR content to the next level, she added.

*Taipei Times*

## Taiwan can fill gap left by closing Confucius Institutes: AIT



*AIT Director Brent Christensen (CNA)*

As many American universities shutter their Confucius Institutes amid scrutiny over their ties to the Chinese government, "now is the time" for the United States and Taiwan to deepen

their cooperation in education, American Institute in Taiwan (AIT) Director Brent Christensen said on January 16.

In a speech delivered under a new bilateral education initiative, Christensen said the U.S. and Taiwan have always maintained close academic ties, but the closure of the Chinese-language programs run by the institutes offers a unique opportunity to boost that relationship.

The Confucius Institutes -- which promote Chinese language and culture with funding from the Chinese government -- have come under pressure in the U.S. since a 2018 law forced schools to choose between keeping the institutes open or losing Defense Department funding for their foreign language programs.

By last August, when the State Department designated the program's

Washington D.C. headquarters as a "foreign mission" of the Chinese government, the number of institutes operating in the U.S. had dropped from over 100 to 75.

In light of these closings, Christensen said, "now is the time for Taiwan to step forward and fill this gap -- not only to teach Mandarin and learn English, but to more fully tell Taiwan's story to American students."

"And what a great story Taiwan has to tell -- a story about how the hard work, sacrifice and dedication of the people of Taiwan has led to a thriving democracy, a robust economy, a highly educated and skilled workforce, and ... the most effective response to COVID-19 of perhaps any place in the world," he said.

Christensen also addressed a group of around 60 young Taiwanese in

## Economic Cooperation News

the audience, who will soon travel to the U.S. to teach Chinese under the Fulbright Foreign Language Teaching Assistant Program (FLTA).

As teachers in the U.S., these teaching assistants will not only have the opportunity to teach Chinese, but also to “tell a different version of history than the

one that is taught at Confucius Centers,” he said.

According to Christensen, the AIT has been working to spread information about educational opportunities in Taiwan through the U.S. Department of Education and the U.S.-Taiwan Talent Circulation Alliance website.

The Fulbright program also operates its own English Teaching Assistantship (ETA) program in Taiwan, through which 145 recent American graduates are currently teaching in classrooms across the island, according to an AIT Facebook post.

CNA

### Malaysia and Australia enhance cooperation with Comprehensive Strategic Partnership



Malaysian Prime Minister Tan Sri Muhyiddin Yassin and his Australian counterpart Scott John Morrison officiated the Comprehensive Strategic Partnership (CSP) at their first meeting which was held via video conference on January 27.

The Prime Minister’s Office, in a statement, said that at the meeting, the two Prime Ministers approved the Action Plan

outlining strong initiatives under three key elements of the CSP.

These elements are Economic Wellbeing; Society and Technology; and Regional Defence and Security Cooperation.

“This partnership reflects the high level of commitment of both sides to further expand existing strong ties in various aspects of bilateral and multi-lateral cooperation.

“Apart from strengthening existing cooperation, this CSP also gives an opportunity for Malaysia and Australia to establish collaboration in various new fields, including digital economy; agriculture and food security; disaster management and public health; mental health; science, technology and innovation (STI); environment; and youth empowerment,” the statement said.

On Covid-19, the two leaders agreed that Malaysia and Australia take several effective measures to combat the

pandemic and reduce its negative impact.

Among the proposals were to forge cooperation in Covid-19 vaccination programmes, ensure markets remain open and the global supply chain can function well to support economic recovery efforts and livelihoods, and cooperation in cross-border management.

“This CSP enables the two countries to explore a new cooperation landscape and move further ahead. Malaysia and Australia are close partners. The two countries had established ties even before Malaysia achieved independence,” it added.

Australia established its High Commission in Kuala Lumpur in 1955 while the then Malaya set up the Federation of Malaya Commission in Canberra in 1956. In 2015, Putrajaya and Canberra upgraded bilateral relationship to the Strategic Partnership Level.

*The Edge Markets*

### India holds talks with Russia, Japan for trilateral cooperation in transport, coal mining



India, Japan and Russia have identified energy, coal mining, transport and logistics, maritime connectivity, diamond

processing, pharmaceuticals and healthcare among areas of potential cooperation in the Russian Far East, a statement after talks among the three countries said on January 27.

The talks among representatives of the three countries, which took place the week prior, happened for the first time, the statement said, adding that it was at the Track II or semi official level.

The first round of the India-Japan-Russia was hosted by the Indian government backed Indian Council of World Affairs (ICWA) think tank with Japan’s Economic Research Institute for Northeast Asia (ERINA) and Russia’s Far East Investment and Export Agency

(FEIEA) attending as co-partners.

“The focus of the first dialogue was on the exchange of views and information among the three sides on their respective outlook on the economic opportunities in the Russian Far East,” the statement said.

“The participants agreed that it is in the three countries’ shared interest to promote the trilateral framework to harness economic opportunities in the Russian Far East for mutual benefit,” it said. The three identified energy, coal mining, transport and logistics, maritime connectivity, diamond processing, agro-industry, forestry, pharmaceuticals, healthcare, high technology, scientific research, capacity building, tourism, humanitarian fields as

## Economic Cooperation News

potential areas of trilateral cooperation, it said.

All three countries welcomed their growing links in the Arctic, “recognising the inter-connected nature of regional development alongside the Russian Far East,” it said.

“It was suggested to explore the potential for trilateral partnership in the development of the Arctic and the Northern Sea Route through the promotion of investment and trade linkages,” the statement said.

The three countries agreed that

their business communities were important to identify areas and concrete projects for trilateral cooperation and sought the appointment of representatives to carry forward the economic dialogue, it added.

*Livemint*

### South Africa eyes enhanced economic cooperation with Turkey

South Africa aspires for enhanced relations as well as further economic cooperation with Turkey in the future, the country’s charge d’affaires, Tshepo Ranamane, said on January 23.

Speaking to Anadolu Agency (AA) on the two countries’ bilateral relations, Ranamane said South Africa, the leading power in its region and one of the largest economies on the African continent, has important opportunities for Turkish investors.

The strength of the Turkish textile and industrial agriculture sector offers significant opportunities for Turkish



businesspeople to participate in the mainstream of the South African economy, Ranamane pointed out.

Saying that both countries have common perspectives on many foreign policy issues, Ranamane recalled his country’s late leader Nelson Mandela’s words: “Our freedom is incomplete without the freedom of the Palestinians.”

Ranamane also pointed out that

Turkey and South Africa enjoy “friendly ties.”

He explained that a considerable number of Turkish citizens reside in South Africa and noted that as a multiethnic society, the country aims for foreigners living in the country to gradually become an integral part of society.

He also said South Africans have a special interest in Turkey, adding that with the integration of the two countries’ cultures they will further enjoy visiting Turkey’s tourism hot spots such as Antalya and Bodrum.

Diplomatic relations between Turkey and South Africa, which is Turkey’s leading trade partner in sub-Saharan Africa, were established in 1993.

*Daily Sabah*

## Technology

### Japanese firm using school pools to improve solar energy efficiency



An industrial equipment developer in southwestern Japan has produced an innovative solution that uses water in swimming pools at defunct schools to prevent its solar power systems from overheating.

ELM Inc., which said its pool-utilizing solar system is the first of its kind in Japan, has commenced operation

of its first installation at a school in Minamisatsuma, Kagoshima Prefecture, where its head office is based.

ELM’s system puts pools in closed-down schools, a common sight around Japan due to the nation’s low birth rate, that are often left to decay to work as heat sinks, improving the efficiency of solar panels that suffer when they overheat in direct sunlight.

The firm’s low-cost solution sees panels installed on floating pontoons, with the pool water used to cool the cells above. At the school in Minamisatsuma, the pool changing rooms are used to store the converter.

Around 30 people involved in the project gathered at a ceremony at the school where 160 solar panels were installed on two pools, one 25 meters long and the other

6 meters long.

“Pools in abandoned schools have no use, so I want them to play the role of a power plant for the region,” said ELM CEO Takakazu Miyahara.

The company estimates the system in Minamisatsuma will be able to generate around 61,000 kilowatt-hours of electricity per year. The average household in Kyushu uses approximately 300 kWh per month.

It will sell the electricity to Kyushu Electric Power Co., serving the southwestern Japan region, and it is also considering installing a battery storage system in the future for use during natural disasters and other emergencies.

ELM plans to roll out the system in 15 locations in Kagoshima and Okayama prefectures.

*Kyodo*

# Technology

## Technology companies taking aim at COVID-19 pandemic with new gadgets

From coronavirus-zapping drones to smart masks to disease-predicting wearables, the technology sector is showcasing ways to detect and mitigate the COVID-19 pandemic.

The health crisis which forced Las Vegas' Consumer Electronics Show (CES) online has also spawned innovations for fighting the pandemic.

Drone maker Draganfly showcased its camera technology that can be used to produce alerts on social distancing and also detect changes in people's vital signs, which might be an early indicator of COVID-19 infection.

Draganfly chief executive Cameron Chell said that the "vital intelligence assessment" system can be "deployed from any camera, not just a drone camera," to measure vital signs such as heart or respiratory rate and blood pressure.

The company has been deploying its drones to spray disinfectant in large public spaces, such as sports stadiums. "This allows public places to have the opportunity to be opened up again," Chell told a CES online briefing. "We're completely overwhelmed with demand."

In a similar vein to the Draganfly system, Taiwan-based FaceHeart

demonstrated software that can be installed in cameras for contactless measurement of vital signs. FaceHeart said its algorithms scan for signs of severe shortness of breath, high fever, dehydration, elevated heart rate and other symptoms which are early indicators of COVID-19.

One new wearable device being shown at CES from Colorado-based BioIntelliSense is a coin-sized sticker called BioButton, which can detect changes in vital signs that could be linked to the coronavirus. The patch, to be worn on a person's chest, can detect skin temperature, heart rate, coughing frequency and more, the company said.

The BioButton, which is paired with mobile apps, "represents a significant advancement in making continuous medical-grade monitoring reliable, effortless and cost-effective," according to BioIntelliSense chief executive James Mault. "The convenience of the BioButton will support a range of clinical use cases ... and mass market use to enable safe return to work or school," he said.

Start-up AirPop Health unveiled its Active+ Smart Mask, which captures breathing-related data and incorporates a sensor which can tell wearers when to replace the filter. "This product embodies the AirPop mission — to help people better understand and take control of their respiratory health, through a human-centered approach to design, science and technology," AirPop Health founder Chris

Hosmer said.

Meanwhile, gaming technology firm Razer showcased its Project Hazel mask.

It features rechargeable ventilators and a transparent design "so those around you can view facial cues, such as a smile or laugh, and allow the hard of hearing to lip read what the wearer is saying," the company said.

Another gadget unveiled was the Ettie video doorbell from smart home start-up Plott, which takes the temperature of a visitor at the front door with an infrared sensor, allowing the homeowner to see if a fever is present.

Taiwan-based electronics company iWavenology introduced its iDistance wearable device, which can be used to prevent infections by sounding an alarm when people fail to respect social distancing guidelines. The tags are worn around the arm and function in a workplace or outdoor environment.

"The pandemic requires everyone to think about innovative solutions to ensure safety for all employees at the workplace," iWavenology founder Mao Shau-gang said. "That is why iWavenology created a simple device that generates an alarm whenever a person comes too close to another."

CES, which was forced to move to an online format because of the pandemic, included about 1,800 exhibitors and concluded on January 14.

*AFP, Washington*

# Policy Updates

## Bangladesh

### Small firms to get stimulus funds at 4pc interest

Small traders, entrepreneurs and farmers in Bangladesh who had no access to finance from banking channels will now be able to avail loans at 4% interest from a fresh Tk 1,500 crore stimulus package.

The government approved a few



new packages involving Tk 2,700 crore on January 17 with an aim to improve the living standards of marginalised people living in rural areas. The finance ministry has already prepared a policy regarding the fund for small traders and businesses, which has been forwarded to the cabinet for approval.

The Palli Karma-Sahayak Foundation (PKSF) had earlier received Tk 500 crore under a stimulus package at 18% interest. Ministry officials said that

## Policy Updates

the fund will be disbursed to small traders, entrepreneurs and farmers who also lack financing from banks.

The lenders will take interest as a cost of transaction and it cannot be more than 4%, Finance Minister AHM Mustafa Kamal told The Daily Star. Only government organisations will get funds from the package free of additional costs.

Micro businesses that cannot take loans from banks since they fail to provide the necessary documents will get funds under this package. For example, a number of entrepreneurs who run their businesses under the Bangladesh Small and Cottage Industries Corporation (BSCIC) do not get loans from banks due to lack of necessary documentation.

Farmers will also get loans from this fund as they cannot get bank loans for the same reason as micro businesses.

Each representative organisation will prepare a list according to the rules to disburse the loans, Kamal said.

*The Daily Star*

### Cambodia

#### Cambodia launches policy to boost cassava production, export



Cambodia has launched a new national cassava policy aiming to boost the production and export of the cash crop. Launched by the Ministry of Commerce, the Ministry of Agriculture, and the United Nations Development Program (UNDP) on January 14, the landmark national policy runs until 2025.

The planting, harvesting, processing and export of cassava is key to securing jobs and livelihoods for thousands of Cambodians and is a vital cash crop for farmers, said a joint press statement, adding that Cambodia is the fourth largest cassava producer in Asia and the 10th

largest globally.

Over 12 million tons of fresh cassava root was harvested this year and the new policy will boost and diversify its growth and exports in the coming years, the statement said.

Commerce Minister Pan Sorasak said “The policy will position cassava at the center of our efforts to develop Cambodia’s agro-industrial sector and aims to enlarge the economic base to help meet the Royal Government of Cambodia’s development goals to 2030 and 2050.”

Mam Amnot, secretary of state of the Ministry of Agriculture, said that with the production of 12 million tons per year, cassava is an industrial crop which carries a full potential for farmers’ livelihood improvement and export.

The launch of the policy marks the beginning of a new journey in Cambodia’s agribusiness development for inclusive growth, poverty reduction and the realization of the government’s Industrial Development Policy 2015-2025.

*Xinhua*

### India

#### New policy makes it costly to keep old cars

Finance Minister Nirmala Sitharaman announced a new vehicle scrapping policy in the Union Budget 2021 on Monday in Parliament. Holding on to 15-year-old vehicles will cost more after this voluntary vehicle scrapping policy comes into effect.

According to a report, the cost of getting a fitness certificate for such commercial vehicles will go up by up to 62 times. On the other hand, the fee for renewal of registration of private vehicles will increase by up to eight times.

As per the motor vehicle law, renewal of fitness certificate is mandatory annually once it is more than eight years old.

According to Times of India, the fitness certificate fee for commercial vehicles that are more than 15 years

would increase from the current Rs 200 to approximately Rs 7,500 for cabs and nearly Rs 12,500 for trucks. In the case of 15-year plus private vehicles, the registration charge would go up for two-wheelers from the current Rs 300 to Rs 1,000 and it would increase from Rs 600 to Rs 5,000 for cars.

“All private vehicles need to renew registration after 15 years and subsequently every five years. This is expected to work as a disincentive for owners,” the sources told TOI.

Also, states can levy a green tax, which can be 10-25% of the annual road tax. On the top, states will now impose green tax over and above the road tax that every vehicle owner needs to pay. States can levy green tax on such vehicles for five years, which would be in addition to road tax.

In both cases, vehicles failing in the automatic fitness test will be de-registered from Vahan, the central database of vehicles.

*India TV*

### Indonesia

#### Indonesia delays new migrant worker policy to July



The Indonesian government will now require employers of Indonesian migrant workers and local governments in Indonesia to pay part of the workers’ placement fees starting on July 15 rather than Jan. 15 as previously scheduled.

The new policy, aimed at easing the financial burden of Indonesian migrant workers, will remove placement fees for 11 types of workers, including domestic helpers and construction workers, and have overseas employers and local Indonesian authorities cover them instead.

It has been postponed because most local authorities have yet to budget funding for the two expenses they will



be responsible for under the new rules, according to Benny Rhamdani, head of Indonesia's Agency for the Placement and Protection of Indonesian Migrant Workers (BP2MI).

Of 34 provinces across Indonesia, only the local government in East Java can currently cover the costs associated with the workers' pre-departure training and training certificates, Benny said at a press conference.

Efforts continue to be made to get the cooperation of local authorities, he said, and meetings with government bodies and authorities in Taiwan, Malaysia, Singapore and Hong Kong are also being held to discuss the new regulations.

The new policy, first made public in July 2020, requires employers of Indonesian migrant workers to cover several types of fees, including passport costs, return air tickets, visa and work permit costs, medical check-ups, local transportation and accommodation in the destination country.

The new rules will be applied to 14 Indonesian labor-importing countries, including Taiwan, Malaysia, Japan and Hong Kong.

*CNA*

## Korea

### Seoul names new minister of foreign affairs ahead of Biden inauguration

The man who told former US president Donald Trump that North Korean leader Kim Jong-un wanted to denuclearize was named as South Korean minister of foreign affairs on January 20, hours before the inauguration of US President Joe Biden.

Former South Korean national security adviser Chung Eui-yong would be responsible for Seoul's relations with the US after replacing Kang Kyung-wha, who was Seoul's first female foreign minister when she was appointed in 2017.

Chung, 74, was instrumental in brokering the talks between Trump and Kim, which saw three headline-grabbing meetings between the two, but little

substantive progress.

In March 2018, after a year in which the two leaders exchanged mutual insults, Chung visited Washington to brief Trump that Kim — who he had met earlier in Pyongyang — wanted to talk and was “committed to denuclearization.”

An ecstatic Trump immediately accepted the request for a summit and Chung was deputized to make the announcement in an unorthodox nighttime briefing on the White House lawn.

The two leaders met in a blaze of publicity in Singapore and signed a vaguely-worded statement on the denuclearization of the Korean Peninsula, but a second summit in Hanoi collapsed over sanctions relief and what the North would be willing to give up in return.

The process has been stalled ever since, while the North has showed off several new missiles at military parades in October last year and this month, when Kim pledged to strengthen its nuclear arsenal.

South Korean President Moon Jae-in has long championed engagement with the North, and his office said in a statement that Chung had been “involved in every issue in the US-South Korea relationship,” and was the “best expert in the field of diplomacy and national security.”

*AFP*

## New Zealand

### Government extends pre-departure tests to more travelers

The Government has officially made it mandatory for almost every traveller coming to New Zealand to produce a negative Covid-19 test before they board a plane.

The new rules came into force at 11.59pm on January 25. Previously, only travellers from the UK and the US needed to produce a negative test to come to New Zealand. It has now been extended to every inbound traveller, with the exception of Australia, Antarctica and most Pacific Island countries.

But not all Pacific Island countries

are exempt – Papua New Guinea, which has close to 1000 confirmed Covid-19 cases, is not on the list. Nor is French Polynesia, where 17,000 cases have been confirmed and 126 people have died from Covid-19.

From February 8, all passengers arriving in New Zealand - except those from exempted countries - without evidence of a negative approved test or medical certificate would incur an infringement offence fee or a fine of up to \$1000.

As well as the new pre-departure requirements, the Government has also changed the rules around Covid-19 testing in managed isolation and quarantine (MIQ) facilities in New Zealand. From now on, travellers coming to New Zealand will be required to have a test upon arrival – again, with the exception of Australia, Antarctica and most Pacific Island countries. They will still be required to stay in quarantine for 14 days, and to have routine tests on day three and day 12.

The full list of countries and territories not included in the expanded pre-departure requirement are as follows:

- Antarctica
- Australia
- The Cook Islands
- Federated States of Micronesia
- Fiji
- Kiribati
- Marshall Islands
- Nauru
- New Caledonia
- Niue
- Palau
- Samoa
- Solomon Islands
- Tokelau
- Tonga
- Tuvalu
- Vanuatu
- Wallis and Futuna

## Pakistan

### Data protection law on the cards in Pakistan after WhatsApp policy shift

Federal Minister for Science and



# Policy Updates

Technology Chaudhry Fawad Hussain has said that the government was making efforts to introduce a strong data protection law to protect citizens' privacy after WhatsApp announced it will now share personal data of users including phone numbers and locations with its parent company, Facebook.

Previously, the popular messaging app was touted as an encrypted platform, which meant that its two billion users around the world had strong user privacy.

However, from February 8th, the company began collecting and sharing user data including location data, IP addresses, phone model, OS, battery level, signal strength, browser, mobile network, ISP, language, time zone, and even IMEI. In addition, WhatsApp is also collecting information related to any business interactions made using its platform.

—The new Whatsapp policy does not affect users located in 27 European Union thanks to the General Data Protection Regulation (GDPR). The regulation is designed to protect the privacy rights of EU individuals but applies to all companies processing or controlling the personal information of EU residents, regardless of where those firms are located.

*The Express Tribune*

## Philippines

### Wearing face masks required in vehicles with passengers



As the coronavirus disease 2019 (Covid-19) pandemic accelerated the digital shifts, competition policy shall remain in place to ensure an inclusive digital economy, Philippine Competition Commission (PCC) chairman Arsenio Balisacan said on January 13.

In a webinar of the Asian Development Bank, Balisacan said micro and small enterprises are faced with challenges of competing in the digital economy, as it is still dominated by established large enterprises.

“MSMEs (micro, small and medium enterprises) and the poor suffered unequal access to digital platforms due primarily to poor connectivity. For example, penetration of high-speed broadband connection is low primarily because of unstable, slow, and expensive internet connection,” he said.

Balisacan added 60% of households in the Philippines do not have access to the internet. There is also a low penetration to high-speed broadband connection.

He said poor access to cheap and high-speed connection will only exacerbate existing inequalities amid the fast-growing digital economy. There should be a proactive and whole-of-government approach in addressing these challenges to make digitalization as a catalyst for inclusive recovery, he added.

*Philippine News Agency*

## Singapore

### Singapore Government to Ensure Property Market in Line with Economic Fundamentals



The Singapore government is monitoring the developments in the property market “very closely”, and will adjust policies if necessary, to maintain a stable and sustainable property market for Singaporeans, said National Development Minister Desmond Lee.

Speaking at the Building and Construction Authority-Real Estate Developers' Association of Singapore

Built Environment and Property Prospects Seminar 2021 on January 18, Lee said that the government has, over the years, put in place several measures to ensure that prices in the private sector housing market move in line with economic fundamentals.

This comes as the pace of increase in private housing prices has gathered momentum since the second quarter of 2020, with developers' sales at recent project launches being robust.

The Business Times also earlier reported that developers are poised to continue their new project launch momentum this year. Despite the pandemic, the number of private housing units launched in 2020 was only 4.1% fewer than in 2019.

“With developers' inventory of unsold units progressively coming down, there has been healthy bidding interest in recent government land sales tenders,” said Lee. However, he noted that Singaporeans need to remain vigilant, as the property market is not insulated from ongoing uncertainties in the global economic outlook, nor setbacks to the recovery in the domestic labour market. He added that households also need to exercise caution in their property purchase decisions.

*Business Times*

## Sri Lanka

### 3 PCR Tests and Other New Rules for Travelers



After a 10-month hiatus, Sri Lanka is finally opening its doors to foreign travellers. The reopening is cautious, with some restrictions on travel.

When applying for an online visa, travellers will be required to download the “Visit Sri Lanka” mobile app, which will help coordinate and facilitate travels within the country. They will also need a pre-





## Policy Updates

confirmed booking at a Level 1 'Safe and Secure' hotel and a COVID-19 local travel insurance cover that will cost \$12 (Rs875) for a policy of \$50,000 (Rs36 lakh), for a period of one month.

Prior to boarding, travellers will need a negative PCR test result from an accredited laboratory 96 hours before travel. They will then undergo two PCR tests upon arrival. The first one will be at their hotel prior to check-in, and the second one 5-7 days later, or if any symptoms develop before then. If staying longer than seven days, a fourth PCR test is needed. The tests will have to be paid for at the visa stage, depending on the number of days.

If a traveller happens to test positive, they can isolate yourself at the hotel initially. If necessary, they can arrange to be transferred to a hospital or designated hotel for quarantine, the costs of which will be covered by the COVID-19 insurance.

During the first 14 days of stay in Sri Lanka, travellers are required to stay at a Level 1 'Safe and Secure' hotel. Level 1 hotels are a selected list of hotels that are in compliance with all COVID-19 health protocols and tourism guidelines. During this time, use of all the facilities in the hotel

is allowed.

Travellers can even visit a few tourist attractions such as the Yala National Park and the Sigiriya Fortress, but only in their own bio-bubble. This means that they will have to travel on fixed itineraries, and every stop, including a coffee break on route, will have to be mapped beforehand.

Once the 14 days have passed and all tests are negative, travellers are free to step outside their bubble and explore Sri Lanka, while traveling responsibly. This includes avoiding public transport, choosing contactless payments wherever possible, always wear a mask and maintaining social distancing.

*Conde Nast Traveller*

## Taiwan

### Taiwan Bars Self-Health Monitoring Returnees from Banquets

People self-monitoring their health for seven days following their 14-day COVID-19 quarantine should not

attend banquets and meetings, the Central Epidemic Command Center (CECC) said on January 30 following confirmation of Taiwan's eighth virus fatality.

The government warning came as the country was preparing for the Feb. 10-16 Lunar New Year holiday, when Taiwanese living overseas return home to visit their relatives and large family dinners are the norm.

Those self-monitoring their health will be banned from attending banquets as well as other large-scale gatherings, CECC chief Chen Shih-chung said. When they buy takeout food, they should immediately return home to eat it, he added.

The health and welfare minister also advised them against sharing plates and bowls with others, as a measure to prevent infections, CNA reported.

While the CECC was not planning to ban self-monitoring individuals from leaving their homes, Chen advised them to stay inside as much as possible and to record their own movements and their contacts just in case.

*Taiwan News*

## About CACCI

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

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

its establishment in 1966, CACCI has grown into a network of national chambers of commerce with a total now of 28 Primary Members from 26 countries in the region. It cuts across national boundaries to link businessmen and promote economic growth throughout the Asia-Pacific region.

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

Published monthly by the Secretariat, Confederation of Asia-Pacific Chambers of Commerce and Industry  
Ernest Lin, Director General; Amador R. Honrado, Jr., Editor; Abby Moreno, Associated Editor  
Teresa Liu, Assistant Editor; Wendy Yang, Contributing Editor;

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