

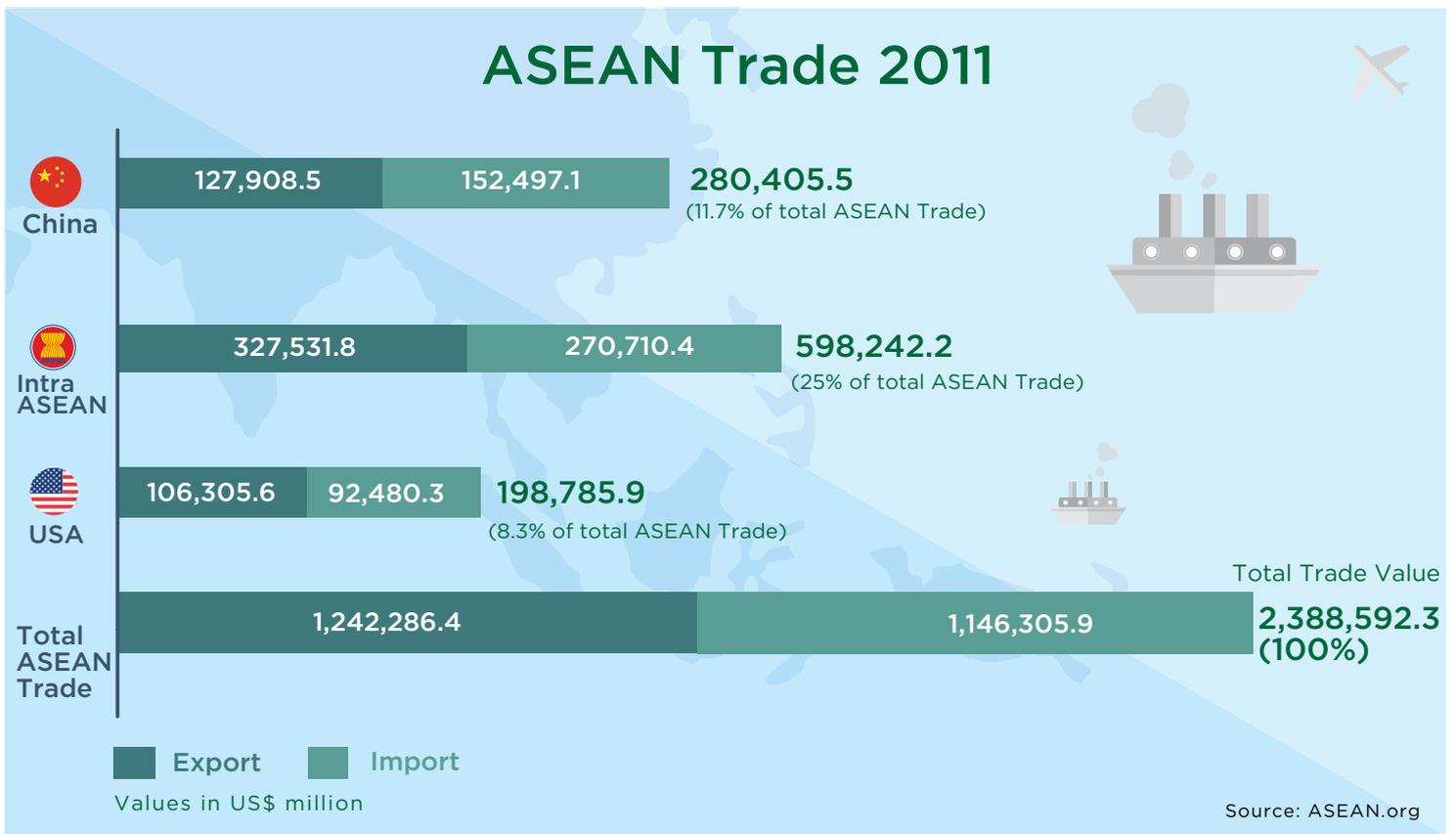
# CARI CAPTURES



## 01 US & CHINA COSY UP TO ASEAN



### ASEAN Trade 2011



**Leaders of the 10-member nation region bloc met in Bandar Seri Begawan, Brunei, for the annual ASEAN Summit to discuss a myriad of issues against the backdrop of economic trade and maritime issues, together with their non-member partners including the likes of the US, China, South Korea, Japan and India.**

▶ Leaders from the ASEAN region met amongst themselves before being joined by delegates from eight other countries for two days of closed-door talks. Most notable was the tension between

the delegations from China and the US as they competed for a greater position and presence in the region which is home to more than 600 million people and represents some US\$3.2 trillion in GDP

▶ America's influence was curtailed somewhat by the notable absence of President Barack Obama, who cancelled his scheduled appearance at the Summit meeting to attend to the domestic political and budgetary disputes that have led to a partial shutdown of the US federal government; in his

stead, US Secretary of State John Kerry spearheaded the American delegation at the meeting

▶ China's delegation was out in full force as newly installed Premier Li Keqiang was in attendance, fully taking advantage of Obama's absence, and made a compelling case to the ASEAN leaders, pledging to boost Chinese investment in the region.  
▶ China's position and discussions were set against the backdrop of maritime tensions in the South China Sea owing to territorial disputes to the resource-rich area

▶ With the South China Sea disputes affecting four ASEAN member nations namely Malaysia, Brunei, Vietnam and the Philippines, the US is well aware that China is in a precarious position with the region bloc, with US officials going on to say that Kerry would press China to accept a long-delayed legally binding maritime Code of Conduct to manage disputes at sea

## 02 INDONESIA LOOKING TO MAKE THE CONNECTION



**Indonesia is using its participation in both the APEC Summit and ASEAN Summit to push for greater connectivity within the region with President Susilo Bambang Yudhoyono calling for improvements for both intra-connectivity among ASEAN members and inter-connectivity with ASEAN's strategic partners.**

▶ President Susilo Bambang Yudhoyono has made connectivity a high priority in his agenda as he raised the issue with ASEAN strategic partners during bilateral meetings with ASEAN-Japan and ASEAN-Korea during the ASEAN Summit, and did so again earlier when he

led the APEC leaders meeting in Nusa Dua, Bali earlier in the week

▶ The Indonesian President's Special Staffer for Economic and Development Affairs Firmansyah pointed out that connectivity was needed to push through economic improvement in the

wider region, supporting the implementation of the ASEAN Economic Community in 2015

[TheJakartaPost \(09 October 2013\)](#)

## 03 POLITICAL STABILITY HIGHLIGHTED AFTER SOUTH CHINA SEA DISPUTE

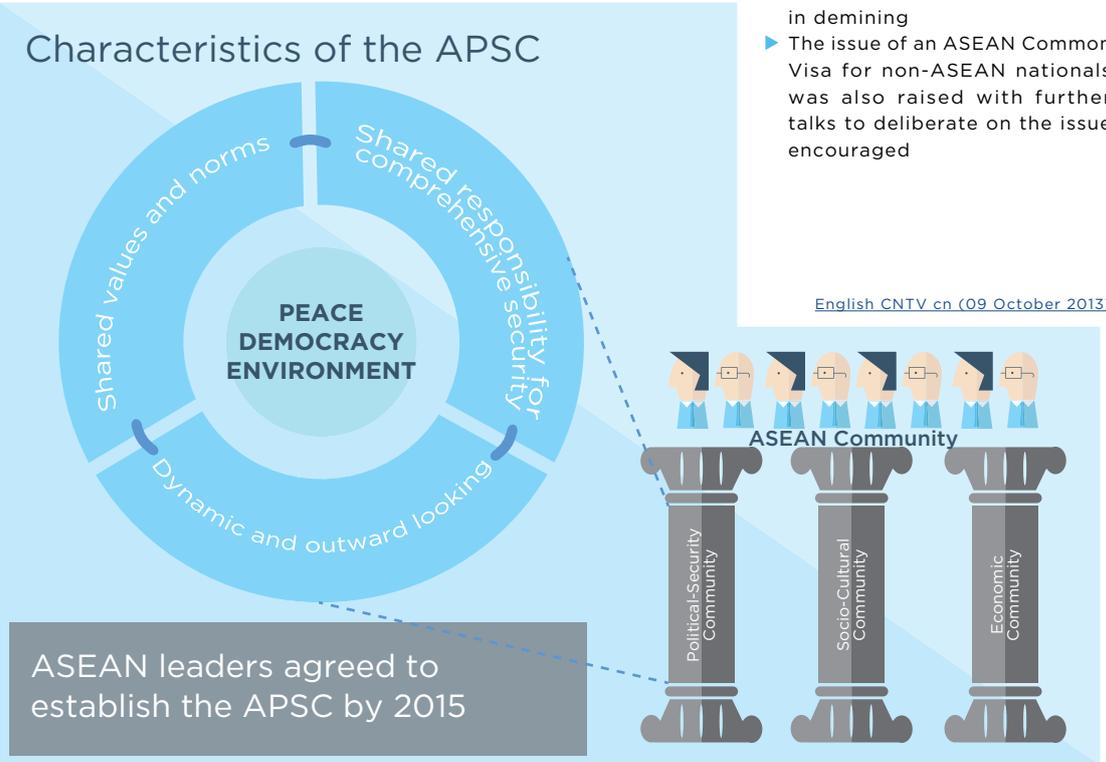


**Peace, security and stability in the ASEAN region was highlighted when the Chairman's Statement of the 23rd ASEAN Summit reiterated their political will to implement the remaining measures under the ASEAN Political-Security Community in a timely and effective manner to strengthen dialogue and cooperation within the 10-member region.**

▶ After a year in which political tensions came to a hilt with the South China Sea territorial disputes, maritime cooperation by leveraging on existing mechanisms and promotion of transparency and confidence-building on security-related policies was high on the agenda at the Summit

▶ The region also reiterated their views on Weapons of Mass Destruction when they called for a nuclear-weapon-free and mass-destructive-weapon-free-zone in the South East Asian region, with further cooperation

### Characteristics of the APSC



in demining  
▶ The issue of an ASEAN Common Visa for non-ASEAN nationals was also raised with further talks to deliberate on the issue encouraged

[English CNTV.cn \(09 October 2013\)](#)

## 04 ASEAN CLEAR-THE-AIR TALKS LEAD TO HAZE MONITORING SYSTEM



**ASEAN leaders made progress to combat the hazardous issue of yearly air pollution that plagues large parts of the region when they agreed to adopt a system to share satellite data to monitor the haze situation which occurs on a yearly basis, leading to political spats.**

▶ The thick haze is caused by forest fires used to clear land

in Indonesia, primarily in Sumatra and Kalimantan, by companies for oil palm and timber plantation purposes. Air pollution were sent to record high levels in June of 2013, causing the closure of several schools and overloading of hospitals in parts of Indonesia, Singapore and Malaysia as the thick blankets of smog can cause severe respiratory problems

▶ The new jointly agreed system

will see ASEAN members share satellite data to locate and determine when and where fires are occurring on plantations, allowing for better identification of the root causes of the problem and enforcement against the parties responsible

▶ This ASEAN solution is a step forward in combatting a serious problem with environment ministers from Malaysia,

Indonesia, Singapore, Thailand and Brunei already having met in July earlier this year to discuss ways to fight the haze problem – the July meeting led to Indonesia agreeing to ratify a decade-old ASEAN agreement to combat pollution generated by burning, claiming to submit a request to its parliament to begin the ratification process

[WSJ \(10 October 2013\)](#)



## 05 INDIA OPENS NEW DIPLOMATIC MISSION FOR ASEAN



INDIA



ASEAN

**New Delhi has decided to open a separate diplomatic mission for ASEAN with an Indian Ambassador to ASEAN expected to be announced by Prime Minister Manmohan Singh in the near future.**

- ▶ Currently, the Indian diplomatic mission to Indonesia handles the countries affairs with the regional bloc as the ASEAN Secretariat is located in Jakarta – however, with bilateral ties having grown significantly in the recent past and expected to continue to do so in the future, the ASEAN engagement has become very demanding, one that requires a full-time mission
- ▶ With ASEAN-India trade having increased by 37% in 2012 to total US\$75.6 billion, surpassing the target of US\$75 billion, India is set to sign a Free Trade Agreement (FTA) on services and investment with ASEAN

“A stable maritime environment is essential to realise our collective regional aspirations. We should re-affirm the principles of maritime security, including the right of passage and unimpeded commerce, in accordance with international law, and peaceful settlement of maritime disputes.” – Prime Minister Manmohan Singh



which is set to propel two-way trade to over US\$100 billion by 2015

- ▶ ASEAN also represents India's bridge to the East Asia and Asia Pacific region, with the likes of Korea, Japan and Australia being economic powerhouses which India will do well to form strategic ties with; to this end, India has weighed in on the South China Sea disputes between China and ASEAN, with Prime Minister Singh calling for peaceful settlement of maritime disputes

[TheHindu.com](http://TheHindu.com) (14 October 2013)  
[ASEAN.org](http://ASEAN.org) (14 October 2013)

## 06 KOREA DEVELOPS SECURITY & ECONOMIC TIES WITH ASEAN



ASEAN



SOUTH KOREA

**South Korea has made strides in developing ties with ASEAN after President Park Geun-hye had her proposal enthusiastically accepted by ASEAN leaders to establish a security dialogue channel to discuss regional security issues, of which the North Korean nuclear standoff stands at the forefront.**

- ▶ The dialogue mechanism, the first of its kind that ASEAN has established with an individual nation, will be at the deputy foreign-minister level with the first meeting expected to take place in 2014
- ▶ On economic issues, South Korea and ASEAN agreed to upgrade their bilateral Free

Trade Agreement established since 2009 by removing or cutting tariffs on additional items currently on the exclusion list, and to establish a Korea-ASEAN Business Council involving the Chambers of Commerce of participating nations to strengthen business cooperation

- ▶ This represents a step forward

in diplomatic ties and relations between the two entities as they move from discussing economy- and trade-focused topics to sensitive, regional security issues, and comes just a year after South Korea established a diplomatic mission to exclusively handle relations with ASEAN.

[Yonhapnews.co.kr](http://Yonhapnews.co.kr) (10 October 2013)

## 07 PHILIPPINE CUSTOMS TO AMEND CODE TO COUNTER FALLING REVENUES



PHILIPPINES

**The Philippine Bureau of Customs has called for the Tariff and Customs Code to be amended to offset the adverse impact of falling tariffs on revenue collection as foregone revenues on declining tariffs of imported goods is expected to rise by PHP10-15 billion (US\$232 - 348 million) every year until 2015.**

- ▶ Foregone revenues reached

PHP40 billion (US\$928 million) in 2010, PHP50 billion (US\$1.16 billion) in 2011 and PHP60 billion (US\$1.39 billion) in 2012 as the regional bloc eliminates tariffs and other barriers to entry as stipulated and required under the ASEAN integration, slated to be implemented in 2015

- ▶ Proponents for the opening of trade doors claim that whilst individual economies may lose

in terms of reduced import-duty collection, economic activity and incomes across the region will be boosted by the free flow of goods and capital across borders, with the rise in trade expected to generate more investments and jobs in the region

- ▶ There is already a bill tabled before the 16th Congress to revise the Tariff and Customs Code, which was last amended

in 1978, which would see improvements in efficiency and revenue collection, for example by reducing instances of face-to-face interaction between customs employees and importers so as to reduce cases of corruption and smuggling.

[Business Inquirer](http://BusinessInquirer) (10 October 2013)

## 08 MYANMAR MONITOR

### FOREIGN AFFAIRS

▶ Myanmar was formally awarded the rotating chair of ASEAN for 2014 on 10 October at the end of the 23rd ASEAN Summit in Brunei. President Thein Sein said the theme of Myanmar's chairmanship would be "moving forward in unity in a peaceful and prosperous community".  
[Myanmar Times \(11 October 2013\)](#)

### ECONOMY

▶ Myanmar has awarded 16 onshore blocks to foreign companies, including two blocks to Malaysia's Petronas. For the first time in Myanmar, the winners would be required to perform Environment Impact Assessments before final approval from the country's investment commission.  
[Business Times \(11 October 2013\)](#)

▶ The newly reformed central bank will oversee the country's private and state-owned banks but other financial agencies will be under the control of the Ministry of Finance, central bank vice governor Khin Saw Oo was quoted saying. A new draft law covering the operation of financial institutions is being drafted with help from the World Bank.  
[The Irrawaddy \(12 October 2013\)](#)

▶ The World Bank has revised its 2013 economic forecast for Myanmar up to 6.8%, from 6.5%, following better-than-expected results in gas production, services and construction. Myanmar's gas exports earned US\$4 billion in the 2012-13 fiscal year, surpassing US\$3.5 billion last year, and foreign direct investment also rose sharply from 3.7% to 5.2% in the same period.  
[Myanmar Times \(13 October 2013\)](#)

### POLITICS

▶ Myanmar released 56 political prisoners in a presidential amnesty, state media reported on 8 October. President Thein Sein has promised that there will be no prisoners of conscience in Myanmar by the end of the year.  
[CNN \(9 October 2013\)](#)

▶ The government made an agreement on 10 October with the Kachin Independence Organization (KIO) - the political arm of the Kachin Independence Army, to work with the government toward achieving a nationwide ceasefire. The two sides also agreed to re-open roads that have been closed due to fighting.  
[The Wall Street Journal \(11 October 2013\)](#)

## 09 PTT TO SPLASH OUT IN ASEAN RETAIL OIL BUSINESS



**Thai Oil and Gas Company PTT is preparing to invest a sum of THB3 billion over the next three years in a bid to expand its retail oil business in neighbouring countries in the region.**

▶ Chief Operating Officer for its downstream petroleum business Saran Rankasiri has stated that more fuel stations would be opened up in neighbouring countries, with two having already been opened in Laos this year and one scheduled to be opened in Myanmar later this year

▶ Sales figures of the newly opened station in Laos shows 700,000 litres sold monthly, giving credence to Rankasiri's claim that PTT will open 5-10 fuel stations in each ASEAN country, which would be wholly owned by PTT in the initial stage, after which local individual investor participation would be welcomed.

[Nationmultimedia \(09 October 2013\)](#)

## 10 BALI TURNS ITS ATTENTION TO ASEAN



**The Indonesian island holiday hotspot destination of Bali has turned its focus to penetrating emerging tourist markets in ASEAN which have been growing significantly in the last few years with a large proportion of tourists to the island coming from ASEAN countries of Singapore, Malaysia, Brunei, Thailand, Cambodia, Myanmar, Vietnam and the Philippines.**

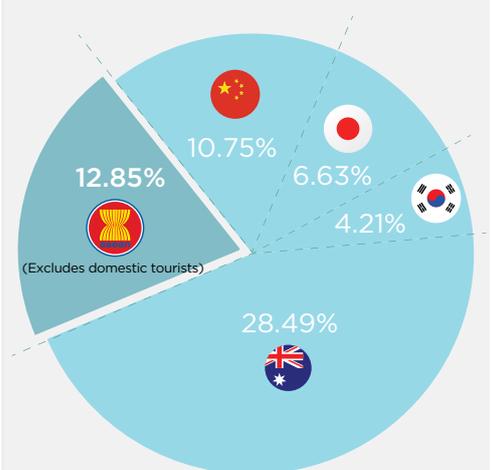
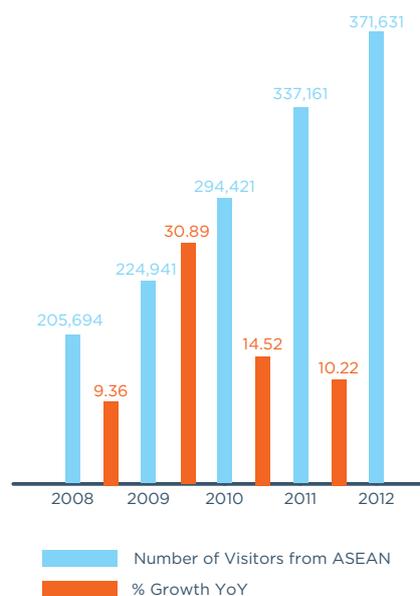
▶ Head of the Bali Bagus division of the Association of Indonesian Tour and Travel Agencies (ASITA) Bali Nengah Aryana is looking to provincial and regional administrations for support in human

and funding resources to implement joint promotions among travel agencies so as to penetrate the market in a more effective manner

▶ Total foreign tourists to Bali in the first half of 2013 reached 1,790,804 persons with over 12%, or 219,137 persons, coming from ASEAN countries; Malaysia and Singapore were the biggest components of ASEAN tourists, comprising 104,530 persons and 71,814 persons respectively.

[The Jakarta Post \(10 October 2013\)](#)

ASEAN visitors to Bali



Contribution of Visitors to Bali in 2012