Aside from non-tariff barriers, the investors service cited disparities in corporate governance, currency, and interest rates between ASEAN member states as barriers against the realisation of the AEC in 2015.

The delays in tearing down said barriers were cited to be main reasons for the less than stellar growth in intra-regional investments despite increasing trade in the region; furthermore, the report stated that “until further clarity on such pertinent issues materialises, ASEAN companies may be tempted to hold off on large scale intra-regional investments despite the secular story of increasing trade integration.”

The report also affirmed capital market integration as a cornerstone of the AEC which required more work, outlining the fragmented nature of each of the member states economies as an issue which needed to be addressed.

On the other hand, a joint report by the International Labour Organisation (ILO) and Asian Development Bank (ADB) concluded that the demand for both high and low skilled workers could increase by 60% when the region integrates into a single market.
The ASEAN Macroeconomic Research Office (AMRO), a Singapore based independent surveillance unit monitoring economic and financial conditions, is slated to be raised to the same status as institutions such as the ADB and IMF once ASEAN, Japan, China, and South Korea ratify an agreement upgrading the organisation.

- Founded in 2011, AMRO has played the key role of oversight in operations such as the “Chiang Mai Initiative Multilateralization” (CMIM), a currency swap scheme worth US$240 billion, was implemented to alleviate short term liquidity issues amongst ASEAN+3 nations.

- Aside from managing the CMIM, AMRO provides quarterly consolidated reports detailing the overall macroeconomic assessment of the ASEAN+3 region, as well as individual reports on each of the named countries.

- In addition to providing economic analysis, during times of economic rises, AMRO takes a more proactive role in the disbursement of emergency short term funding to individual member states, whilst also advising as to the economic actions to be taken through lending covenants.

In the future, Cambodia will start to receive refugees who land in Australia without authorization. Most of them are from Yemen, Pakistan, Afghanistan, and Iran. Australia’s Immigration Minister, Scott Morrison told the Australian Broadcasting Corporation that the number of refugees it would accept is depend on the government of Cambodia.

- Although Australia has not insisted on a set number of refugees to be resettled, it has agreed to pay Cambodia US$35 million over a period of four years in addition to covering the direct costs of the arrangement, including initial support to refugees and relevant capacity building for Cambodia.

- “I think Australia should give Cambodia every opportunity to put aside its dark past and to embrace a much more prosperous, stable and secure future,” said Julie Bishop, Australian Foreign Minister.

- But others fail to see this new agreement in such a positive light due to high corruption and a terrible record of treating refugees in Cambodia. Hence, it has drawn protests from human right groups and political officials in both countries.

“Southeast Asia has major potential for investment”, U.S. Secretary of State, John Kerry said in his speech during the 30th anniversary of the US-Asean Business Council. Kerry called Asean's transformation “dramatic” over the past decades, while praising young entrepreneurs in Cambodia and other countries in the bloc, which holds a combined population of 600 million people among its 10 member countries.

- Alexander Feldman, President of the US-ASEAN Business Council, said: “Education is the key for every single one of these countries, and it is something that the least-developed countries need to pay a lot of attention to.”

- Dispute over the South China Sea is merging as a major test for ASEAN. Ahmad Rizal Purnama, First Secretary of the Indonesia Embassy said ASEAN countries need to be united in dealing in such delicate issues by agreeing to a code of conduct that will prevent conflict.

- “Business likes continuity, business likes predictability. Some of the conflicts, some of the things that have happened to the South China Sea, do not exactly help in that respect, but we hope and we encourage China and Asean to resolve this issue peacefully and find a way to develop the code of conduct.” said Mr. Feldman.
4% POTENTIAL ECONOMIC GROWTH IN 2015

THAILAND

Thailand’s economic growth is projected at 1.6% this year due to falling exports and a bleak tourism recovery. According to Kasikorn Research Center (KResearch), Thailand’s economy is likely to grow by 4% next year, a base-case forecast with a range of 3.5% to 4.5%, as public investment, domestic consumption and a rebound in shipments would help the recovery to gain steam.

This year’s lower forecast is due to an expected 0.3% decline in exports and a 5.8% drop in tourism. The potential challenges include the fragile global economic recovery, a shift in the US Federal Reserve’s monetary policy and the domestic household burden.” said Kangana Chockpisansin, Head of Macroeconomic Research

KResearch Managing Director, Charl Kengchon pointed out the growth is expected to be driven by improved consumer sentiment after the National Council for Peace and Order moved ahead with budget disbursement, economic stimulus measures and additional payments.

The government’s recent efforts are seen adding one percentage point to this year’s economic growth, but the real multiplier effect is likely to take place next year.

UNIFORM STANDARD FOR FOOD SAFETY CAN FACILITATE EU-ASEAN TRADE

INDONESIA

Bilateral trade in agriculture between the European Union (EU) and Malaysia, as well as ASEAN members, can be further improved with the availability of a uniform standard for food safety. The two-day forum, a joint effort between the EU and EU-Malaysia Chamber of Commerce and Industry (EUMCCI), has brought together 150 industry representatives from both the EU and Asean, to share experiences and explore how to address the common challenges, while providing more efficient food safety control processes.

Chairman of the EUMCCI, Fermin Fautsch said the presence of standards such as efforts on determining the shelf life, traceability, cold chain management and labelling would play an important role in giving confidence to consumers.

The Ambassador and Head of the Delegation of the European Union to Malaysia, Luc Vandebon, said: “Trust in the safety of agricultural food products is a key element of the EU-Asean bilateral trading relationship.”

He added: “Cooperation on improving food safety is essential for such important trading partners, and this forum provides an opportunity to enhance ties between Malaysia the other Asean countries and the European Union.”

PRESIDENT ELECT JOKOWI MEETS MARK ZUCKERBERG

INDONESIA

In a bid to capitalise on a nation with one of the top five global users of social media, Zuckerberg met Jokowi in Indonesia’s capital to discuss how social networking can contribute to the country’s economy.

According to the World Bank, less than 16% of Indonesians use the internet, but that figure is more than double what it was five years ago; with this growing trend, as well as 70 million existing Facebook users, the market potential of marketing, communication, and social networking opportunities will help to stimulate growth within the micro-economy.

Mr Zuckerberg believes that improving connectivity through the internet will be able to transform the economy, stating that “When we think about which countries to focus on with Internet.org and Facebook [we consider] how many people can use the services and also how much better and stronger the economy can be if everyone’s on the internet.”

Mr Widodo affirmed his commitment to promoting small business through the use of the internet and social networking; the president elect told reporters after the meeting that “We talked about Facebook users in Indonesia and how to use Facebook to push micro-economy.”
PHILIPPINES AFFIRMS DEATH PENALTY ABOLITION

The Philippines became a signatory of the international joint declaration calling for the abolition of the death penalty.

- The declaration outlines the risks and failures of capital punishment and hopes to foster a trend towards universal abolition; signatories of the resolution include Argentina, Australia, Benin, Burkina Faso, Haiti, Mexico, Mongolia, Norway, Switzerland, Turkey, and the United Kingdom.
- The Philippines abolished the death penalty in 2006, when the Republic Act 9346 was signed into law; in a press release, the Filipino department of foreign affairs stated that the Philippines believes that imposing the death penalty cannot fully deter crime, and that the deterrence to criminality is a combination of several factors, such as an empowered citizenry, a skilled and trusted law enforcement sector, an effective prosecutorial service, and an independent judiciary.
- Currently, only Cambodia and the Philippines have abolished or do not have the death penalty within their constitutions, whilst Brunei and Myanmar are de-facto abolitionists without recorded executions in the recent past; other member states of ASEAN still retain the death penalty.

Capital Punishment in ASEAN

<table>
<thead>
<tr>
<th>Country</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brunei</td>
<td>de facto abolitionist, no executions reported since 1957</td>
</tr>
<tr>
<td>Cambodia</td>
<td>no death penalty under the constitution</td>
</tr>
<tr>
<td>Indonesia</td>
<td>retentionist with executions by firing squad</td>
</tr>
<tr>
<td>Laos</td>
<td>de facto abolitionist with executions by shooting</td>
</tr>
<tr>
<td>Malaysia</td>
<td>retentionist with executions by hanging</td>
</tr>
<tr>
<td>Myanmar</td>
<td>de facto abolitionist with no executions reported since the 1980s</td>
</tr>
<tr>
<td>Philippines</td>
<td>death penalty abolished in 2006</td>
</tr>
<tr>
<td>Singapore</td>
<td>retentionist with executions by hanging</td>
</tr>
<tr>
<td>Thailand</td>
<td>retentionist with executions by lethal injection although no executions have been reported since the last two on August 24 2009</td>
</tr>
<tr>
<td>Vietnam</td>
<td>retentionist with executions by lethal injection</td>
</tr>
</tbody>
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SINGAPORE WILL CONTRIBUTE ANOTHER US$100,000 TO GAZA RELIEF EFFORTS

Speaking at the Cairo International Conference on Palestine and Reconstructing Gaza, Senior Minister of State for Foreign Affairs and Home Affairs, Masagos Zulkifli said the Republic of Singapore will contribute S$127,300 (US$100,000) to UNICEF’s Water, Sanitation and Hygiene Cluster fund to provide clean water and sanitation in Gaza.

- “I am pleased to announce that the Singapore Government will be donating another US$100,000 to UNICEF, for the Water, Sanitation and Hygiene Cluster, which is urgently needed to provide clean water and sanitation in Gaza,” said Mr. Masagos.
- Mr Masagos also reiterated Singapore’s commitment to support the Palestinian National Authority’s capacity-building efforts through an enhanced technical assistance package which worth $55 million over five years since last year.
- Besides, he also stated that the urgent resumption of negotiations towards realising an eventual two-state solution is the only way to achieve a lasting and durable peace between the Palestinians and the Israelis.

Additional Note:
- Two Myanmar women activists and an advocacy group accepted awards from the N-Peace Network alongside other Asian peace activists at a ceremony in Bangkok on 24 October. The network of peace activists is honouring 11 advocates from seven Asian countries with the N-Peace Awards 2014, for their work in advancing women, peace and security.

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