Aimed at enhancing service provision for customers seeking to conduct cross-border transactions, ASEAN’s Banking Initiative seeks to further the goals set out by the ASEAN Economic Community (AEC).

The initiative consists of 35 allied banks across nine countries, all seeking to improve integration in cross-border operations whilst sharing expertise and experience to develop a better stakeholder oriented business.

Said collaboration of banking products and services will occur through the Taksilla ASEAN Banking Forum, which hopes to provide a medium where senior bankers will be able to undertake jointly-run training courses are expected to lead the charge into the region.

The effort to share expertise in banking business development is the first cooperation of its kind that will bring Asian banking to the international level with the ASEAN+3 Banking Alliance under the Bangkok Declaration.
02 VIETNAM BECOMES BIGGEST ASEAN SUPPLIER TO US

The American Chamber of Commerce (AmCham) expects Vietnam’s export to the US to hit around US$29.4 billion by the end of 2014, making Vietnam the top Southeast Asian supplier to the US for the first time in its history.

- AmCham projections forecast further increases in bilateral trade, bringing total trade to US$57 billion in 2020; currently, Vietnam represents 22% of ASEAN’s trade with the US, which following forecasts will increase to represent 34.1% of the region’s exports to the US.
- Amongst key exports, fruit and vegetables have been driving the growing numbers, growing by 12% year-on-year in the month of November; another lucrative export class, seafood, have increased by 51.2% year on year.
- The most significant growth, according to AmCham, occurred within the garment and textile sectors, with Vietnamese exports rising by 14.8% in value over the past 11 months; shoes alone account for US$34 million of total exports to the US, a number that is only slated to increase following the implementation of the TPP which is set to cut tariffs.

03 FORMER ASEAN SECRETARY-GENERAL: PUBLIC AWARENESS ON ASEAN COMMUNITY MUST BE RAISED WITHIN ASEAN COUNTRIES

India and Vietnam have agreed to enhance bilateral trade to US$15 billion by 2020 during the visit of the Vietnamese Prime Minister Nguyen Tan Dung to India from 27 to 28 October.

- In spite of Chinese objections, Indian Prime Minister Narendra Modi and his Vietnamese counterpart Nguyen Tan Dung held comprehensive talks on important bilateral and regional issues and pitched for freedom of navigation and commerce, and peaceful settlement of maritime disputes in the region.

04 MALAYSIA AND BRUNEI CONCLUDE THE JOINT DEMARCATION AND SURVEY OF THE LAND BOUNDARY

In a joint statement issued after the 18th Annual Leader’s Consultation on 3 November, Malaysian Prime Minister Datuk Seri Najib Tun Razak and Sultan Hassanal Bolkiah of Brunei hope to conclude the joint demarcation and survey of the land boundary between the two countries within the targeted time frame. In order to meet the target, both leaders called for the continued commitment of the joint technical teams to speed up the work.

- Both leaders also noted the ongoing discussions on the movement of prisoners from areas between Sabah and Sarawak via Brunei and of movement of prisoners within Brunei via Sarawak.
- In the future, there will be more continued efforts to further accelerate economic cooperation between Sarawak and Brunei, particularly in the field of energy cooperation.
Haier, the leading Chinese electrical appliance maker, has opted to enter Thailand after successful operations in the Philippines earlier in the year; the move is part of its larger strategic plan to capitalise on the region’s robust growth in order to generate US$1 billion in sales over the next five years.

Haier started expanding its commercial air conditioner venture to some countries in Asean this year including Thailand and the Philippines. With the formation of the Asean Economic Community (AEC) next year, the regional bloc will attract new foreign investment, so the company sees an opportunity to further expand exports of its air conditioners.

Haier’s factory in Prachinburi now produces a wide range of products, from refrigerators to washing machines, serving domestic and overseas markets including Japan, India, the Middle East and Africa; Haier now offers small appliances in Prachinburi, including set-top boxes for digital TV sets.

Bangkok Post (3 November 2014)

VIETNAM, TOP INVESTOR IN LAOS

During an economic cooperation dialogue between Vietnam’s Central Highlands and southern central provinces and Laos’ southern provinces, Vietnamese Ministry of Planning and Investment revealed that Vietnam is the top investor in Laos. Vietnam has 250 projects licenced in Laos so far, with total investments of over USD 5 billion, 96 percent of which are located in southern provinces.

Vietnam is the third largest investor for the projects with a focus on agriculture, mining and forestry in Laos. Out of 63 countries and territories worldwide where Vietnamese firms have operated, Laos is the top destination for Vietnamese investors.

By the end of September this year, bilateral trade between the two countries hit USD 995 million. Trade between Vietnam and the southern-central provinces of Laos contributed approximately USD 600 million to the total trade revenue, a 48.3 percent year-on-year rise.

Lao Deputy Prime Minister, Somsavat Lengsavad, who is also Head of the Laos-Vietnam Cooperation Sub-Committee, pledged that the two governments will work together closely to instruct ministries on both sides to review bilateral cooperation agreements and solve all arising issues.

Bangkok Post (3 November 2014)

SINGAPORE 1ST IN ASEAN TO JOIN FIGHT AGAINST ISIS

Singapore is the first Southeast Asian nation to contribute military personnel and equipment to the US-led coalition combating Islamic State militants in Iraq and Syria (ISIS).

“The Singapore Armed Forces (SAF) will offer liaison and planning officers, a KC-135R tanker aircraft for air-to-air refuelling and an imagery-analyst team coalition named “Operation Inherent Resolve,” Singaporean Defence Minister, Ng Eng Hen said in Parliament of Singapore.

Mr Ng added that there will be no Singapore combat troops on the ground in Iraq and Syria, and SAF soldiers will operate from surrounding countries. The length of deployment will be reviewed annually.

He said: “ISIS exports terrorism to our region, whether by sending foreign terrorists to carry out terrorist operations, or by radicalizing regional elements who engage in violence in Iraq, Syria and subsequently their home countries. It is in Singapore’s interest to support the multinational efforts against ISIS.”

Bangkok Post (3 November 2014)
POLITICS

- Myanmar’s constitution cannot be changed until after next year’s general election, Shwe Mann, the Speaker of parliament said, casting doubt on the chances of Aung San Suu Kyi becoming president and the military’s political power being weakened. Shwe Mann reaffirmed his intent to run for president himself.

- Reuters (18 November 2014)

- Myanmar’s army launched a new offensive on 19 November against ethnic Kachin rebels around their headquarters on the Chinese border, leaving 22 insurgents dead and 15 more wounded, rebel officials said. It was the highest casualty toll the rebels have suffered in a single attack in the last three years, according to La Nan, a spokesman for the Kachin Independence Army.

- ABC News (19 November 2014)

- Even though the Parliament passed a Minimum Wage Law in March 2013 and the Ministry of Labour said that it would set the minimum wage by the end of 2013, pending data collection, the law and related bylaws have not been implemented because the workers’ survey is not yet completed. Meanwhile lawmakers last week authorized a salary raise for themselves, as well as for civil servants and soldiers.

- The Irrawaddy (19 November 2014)

- Students in Myanmar have threatened to protest nationwide if the government does not amend an education law passed by parliament in September that puts all decisions about policy and curriculum in the hands of a body made up of government ministers and also banned students from forming unions and ignored calls for local languages to be used in instruction in ethnic states.

- Bangkok Post (18 November 2014)

ECONOMY

- The final version of the rules and regulations for securities exchange are now ready, after over one year in the making, Deputy Finance Minister Dr Maung Maung Thein told reporters on 16 November. The rules have been prepared ahead of the opening of the Yangon Stock Exchange tabled for October 2015.

- Mizzima (18 November 2014)

- The United Nations hopes to encourage at least 1,000 local companies and organisations to become part of the UN Global Compact Network before the end of 2014. The local network of the UN Global Compact seeks to encourage responsible business conduct in Myanmar in line with the Millennium Development Goals and adhering to sustainable human, labour and environmental practices.

- Mizzima (20 November 2014)

- Myanmar’s deputy minister of finance, Maung Maung Thein, has said that foreign insurers can begin their operations in the Thilawa special economic zone from January 2015. Insurance laws in Myanmar do not permit foreign insurers to operate outside SEZs and to operate within SEZ they must submit mandatory documents to the Insurance Business Regulatory Board, Mr. Thein said.

- Business Insurance (18 November 2014)

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- Business Insurance (18 November 2014)

- Japan’s Mitsubishi Corp and Jalux Inc. will partner with Myanmar’s Yoma Strategic Holdings Ltd to operate Mandalay airport, Myanmar’s second-largest airport, for 30 years and expand it into a regional hub, an official from Department of Civil Aviation (DCA) said on 18 November.

- Reuters (18 November 2014)

Former Vice President of Cambodia’s National Assembly Urges Australia to Reconsider Refugee Deal

According to the American Chamber of Commerce (AmCham) in Ho Chi Minh City, despite internal domestic and economic difficulties, two consecutive years of strong economic growth has bolstered American and Vietnamese trade, which is slated to increase total trade by approximately 17.5%.

- Under the agreement, Australia pays USD 40 million to Cambodia to receive up to 1000 Australia’s refugees in aid over four years , in addition to the USD 79 million allocated for the 2014-15 financial year.

- Mr Sokha said concerns were raised of possible negative impacts which would possibly be caused by economic, social situations or even threats to the health of Cambodians.

- He also called for amendments to the agreement to ensure monitoring of the refugees’ health, including quarantine, as well as the degree of legal immunity of the refugees.

- Sydney Morning Herald (1 November 2014)

Indonesia’s Business Competitive Rating Improves

Indonesia climbed three places to rank 114th in the World Bank’s Doing Business 2015, an annual report that measures business regulations and business competitiveness in 189 economies world-wide.

- The report highlighted that Indonesia made starting a business easier by allowing the Ministry of Law and Human Rights to electronically issue the approval letter for the deed of establishment, a reform applying to both Jakarta and Surabaya.

- Additionally, Indonesia made paying taxes less costly for companies by reducing employers’ health insurance contribution rate, another reform applying to both Jakarta and Surabaya.

- In Jakarta, the electricity company made getting electricity easier by eliminating the need for electrical contractors to obtain multiple certificates guaranteeing the safety of internal installations; it, however, also increased the cost by introducing a security deposit for new connections.

- Finally, in both Jakarta and Surabaya, trading across borders became more difficult because of insufficient infrastructure at the Tanjung Priok Port Jakarta.

- The Jakarta Globe (2 November 2014)

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