



**Second Report of the  
ASEAN Business Advisory Council  
to ASEAN Heads of State**

**10th ASEAN Summit  
29th November, 2004  
Vientiane, Lao PDR**

# **ASEAN Private Sector :** Playing a Leading Role Towards Regional Economic Integration

**ASEAN Business Advisory Council**

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27<sup>TH</sup> - 28<sup>TH</sup> November 2004**

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# ASEAN Private Sector: Playing A Leading Role Towards Regional Economic Integration

## Background

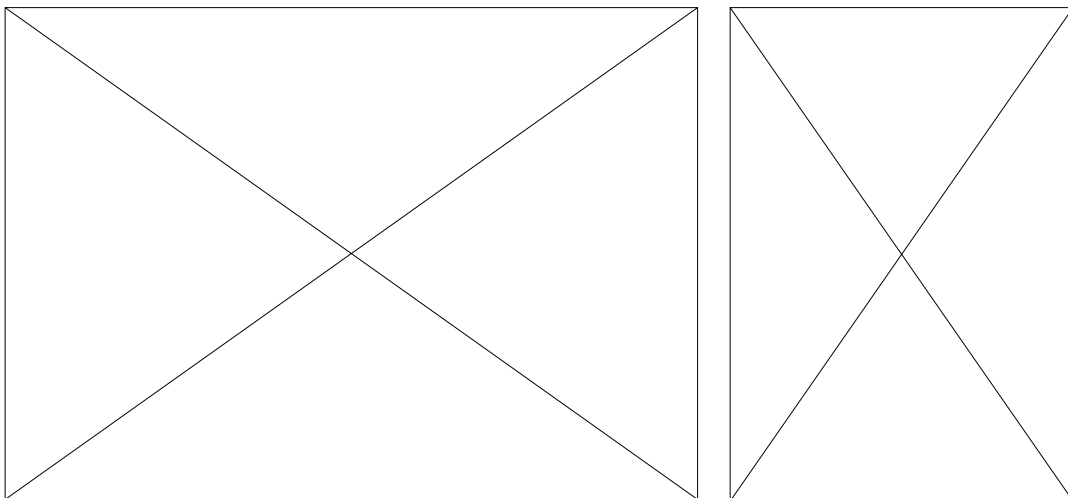
The ASEAN Business Advisory Council (ASEAN BAC) was established by the ASEAN Heads of State (ASEAN HOS) to promote public – private sector partnership as a means of making ASEAN more economically integrated and regionally competitive.

Since its launch in Jakarta in April 2003, ASEAN BAC has convened 12 meetings in all 10 ASEAN nations, giving members the opportunity to engage and interact with local officials and businessmen.

In its inaugural dialogue with the ASEAN HOS at the Bali ASEAN Summit in October 2003, ASEAN BAC reported two significant initiatives:

- a) The 1<sup>st</sup> ASEAN Business & Investment Summit held in Bali from 7<sup>th</sup> – 9<sup>th</sup> October 2003. Organized by ASEAN BAC it attracted 500 participants, and provided an important avenue for networking amongst the private & public sectors within and outside ASEAN, and the ASEAN HOS.
- b) The ASEAN Pioneer Projects Scheme to promote and fast-track cross-ASEAN investments. This scheme was unanimously endorsed by the ASEAN HOS.

A copy of the 1<sup>st</sup> ASEAN BAC Report is in Appendix 4.



### **Asean Pioneer Projects Scheme**

ASEAN BAC proposed the ASEAN Pioneer Projects Scheme (APPS) as a practical step towards the ASEAN HOS vision of an ASEAN Economic Community – a common market and a single production base.

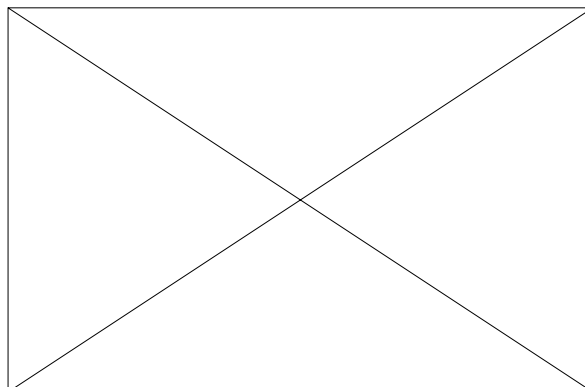
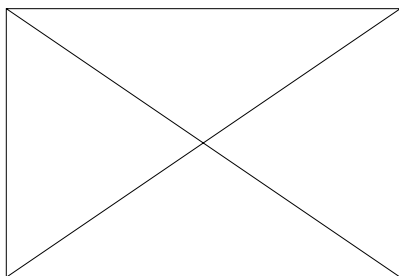
The objective is to create an ASEAN “Green Lane” mechanism to fast-track investment approval processes and encourage cross-ASEAN investments.

With the APPS as a catalyst, private and public sectors across ASEAN can work together to spawn business start-ups, partnerships and expansion. This will strengthen ASEAN’s business environment and facilitate the growth of indigenous ASEAN companies. The best of these companies will flourish and grow into ASEAN MNCs, promoting “made in ASEAN” products, brands and services. A network of such companies will help integrate ASEAN’s economies and make the region more vibrant and competitive.

In consultation with ASEAN Secretariat and government officials, ASEAN BAC developed the APPS Framework and Implementation Process Flow. Details of the framework and process are contained in Appendix 1.

ASEAN BAC will maintain its advisory role in promoting the APPS, but is not in position to champion specific investment projects. Through its “out-reach” partner, ASEAN CCI, information on APPS is being disseminated to the ASEAN business community. The ASEAN CCI President is invited to all ASEAN BAC meetings, and has attended most.

When the ASEAN HOS endorsed the APPS, they highlighted the need to appoint high level “Focal Points” in each country to ensure support for the implementation process. Appointment of the Focal Points was completed last month, and they are listed in Appendix 2.



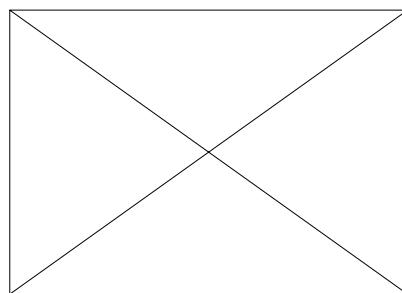
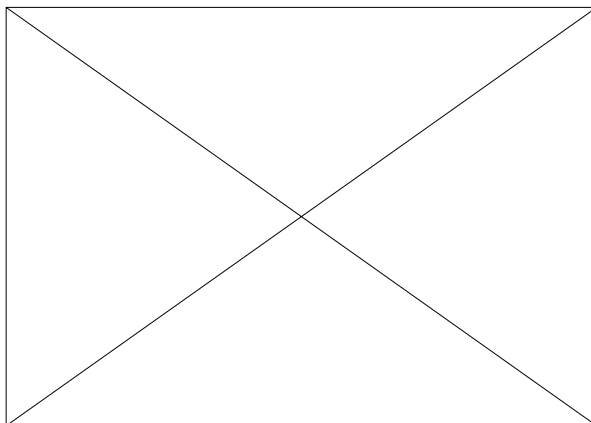
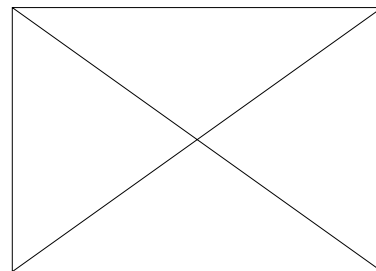
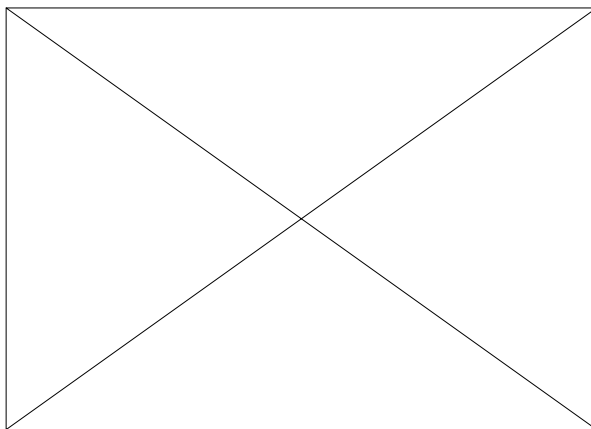
### **Asean Business & Investment Summit**

The 2<sup>nd</sup> ASEAN Business & Investment Summit (ASEAN BIS) is being held in Vientiane, Lao PDR, from 27<sup>th</sup> – 28<sup>th</sup> November 2004. Despite problems relating to the venue, ASEAN BAC supported current Chairman, Mr Oudet Souvannavong's decision to convene a conference scale event, but with a cap to the number of participants.

While the 1<sup>st</sup> ASEAN BIS focused on promoting the region as an attractive and competitive business and investment destination, the 2<sup>nd</sup> ASEAN BIS aims to promote cross-ASEAN business and investment partnerships, with a focus on tourism and agriculture.

The annual ASEAN BIS provides an important interface between businessmen and ASEAN government officials.

The Programme for the 2<sup>nd</sup> ASEAN BIS is in Appendix 3.



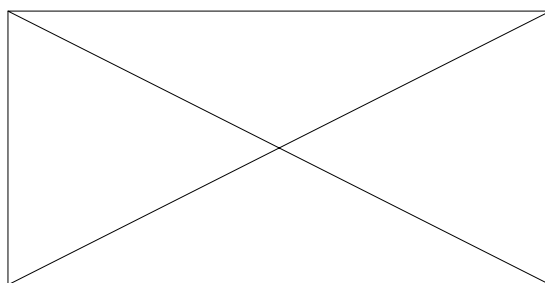
### **Work In Progress**

ASEAN Governments may provide the basic framework and guidelines for regional economic integration, but the private sector must be the engine and driving force.

ASEAN BAC aims to be a catalyst for economic integration by promoting the APPS, organizing the ASEAN BIS, and inviting feed-back from the business community on key initiatives promoted by ASEAN Governments, such as the 11 ASEAN priority sectors and ASEAN FTAs with other nations.

ASEAN BAC seeks to achieve this through:

- a) regular meetings with the Focal Points,
- b) dialogues with the AEMs, collectively and individually, to exchange views on economic issues, including updates on the ASEAN priority sectors and FTAs.
- c) engaging the ASEAN CCI and their national constituents to promote the APPS, and encourage ASEAN companies to take advantage of the Scheme.
- d) establishing an ASEAN BAC website to disseminate information and invite feedback from the business community.
- e) meeting economic NGOs such as US-ASEAN Business Council, Nippon Keidanren, JETRO and JCCI, who are interested to enhance links with the ASEAN business community.
- f) establishing a permanent ASEAN BAC Secretariat to coordinate, implement and institutionalize its activities, and
- g) forming an ASEAN BAC corporate entity in order to implement the above initiatives, establish a permanent ASEAN BAC Secretariat, and raise funding for its many activities, including the annual ASEAN BIS.



## **Challenges**

While ASEAN BAC managed to conceptualize the APPS and organized the ASEAN BIS within a relatively short time of six months from inauguration, they recognize fundamental issues that will impede further progress.

Initial support from the ASEAN Secretariat in the form of part-time Secretariat, a temporary office, and US\$50,000 seed funding for the ASEAN BIS, was invaluable in getting ASEAN BAC started. However, going forward, ASEAN BAC will need to generate organizational independence and resources of its own.

The challenges include:

- a) the need to change the annual rotation of ASEAN BAC Chairman which impedes continuity of leadership and initiatives. The term should preferably be 2 years, with a co-chairman from the country in which the ASEAN BIS is hosted.
- b) lack of corporate entity and structure. Currently ASEAN BAC cannot even open a bank account or make commitments, and is constrained from raising funds needed to employ a full-time Secretariat to execute and see through its various initiatives.
- c) lack of commitment from some members of less developed economies, particularly Vietnam whose members have not attended a single ASEAN BAC meeting.

With a strong and active permanent ASEAN BAC Secretariat, and continuity of chairmanship and initiatives, we expect greater commitment and progress in ASEAN BAC.

## **MANDATE REQUESTED**

**To achieve its objectives, ASEAN BAC seeks ASEAN HOS mandate:**

- 1. To form an ASEAN BAC corporate entity. This will enable it to build internal resources, implement activities, and institutionalize initiatives.**
- 2. For members to review ASEAN BAC terms of reference, and recommend appropriate changes, including the chairman's term of office.**





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# The ASEAN Pioneer Projects Scheme

## A Mechanism Towards Promoting ASEAN Economic Integration

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### Introduction

As part of their report to the ASEAN Heads of State at the 9<sup>th</sup> ASEAN SUMMIT in Bali in 2003, ASEAN BAC proposed the ASEAN Pioneer Projects Scheme (APPS).

### Scope of the APPS

The APPS would be a “Green Lane” system to expedite approvals for ASEAN indigenous companies establishing businesses in the ASEAN region, which may not be facilitated through the normal regulating procedure.

### APPS Priority Sectors

ASEAN BAC identified two initial priority sectors, tourism and agriculture, where indigenous companies can flourish and grow, leveraging on ASEAN’s strengths and natural resources, and targeting the fast growing markets of China and India.

Both these sectors are common to most ASEAN economies, are capable of creating large numbers of indigenous SMEs, and generating significant levels of employment.

Projects that provide products, hospitality and services unique to ASEAN could include:

#### **Tourism**

- ❖ Initiatives relating to tourism infrastructure development
- ❖ Activities promoting ASEAN as an attractive tourist destination
- ❖ Three star hotels for mass market, targeting tourists from China and India
- ❖ Budget airlines servicing ASEAN capitals and tourism destinations

#### **Agriculture**

- ❖ Activities enhancing development of agricultural infrastructure
- ❖ Projects that promote industrialization of the agriculture sector
- ❖ Supply of ASEAN food products to the global markets, particularly China and India

### APPS Focal Points

ASEAN HOS agreed to appoint senior Government officials and Ministers as Focal Points in each country. Their role is to approve, monitor and expedite the APPS projects.

### **Proposed APPS Implementation Process**

1. The proposed Implementation Process Flow at Annex A details the responsibilities and workflow of the APPS.
2. ASEAN BAC will drive and promote the APPS to their respective private sector economies through out-reach partner the ASEAN CCI, and their national chambers of commerce and industry, and business contacts.
3. ASEAN BAC will submit projects qualifying for the APPS to the Focal Points, through the ASEAN Secretary-General.
4. The Focal Points of each nation involved in the APPS project will be the approving body for a project, and should approve or reject the project within one month from the date of submission by the ASEAN BAC.
5. The Focal Points may wish to form respective Working Groups to perform the day-to-day implementation of the project.
6. The ASEAN Secretariat, SEOM, AEM and the ASEAN Summit will be monitoring bodies for the APPS. The ASEAN Secretariat will ensure that the one month project approval deadline is met and will also provide updates on the status of the projects during the SEOM and AEM Meetings.
7. By the next ASEAN Summit, ASEAN Secretariat will inform ASEAN BAC of approved and pending projects as well as outstanding issues that may hinder approvals. ASEAN BAC will then surface unresolved concerns at the annual dialogue with the ASEAN Heads of State.

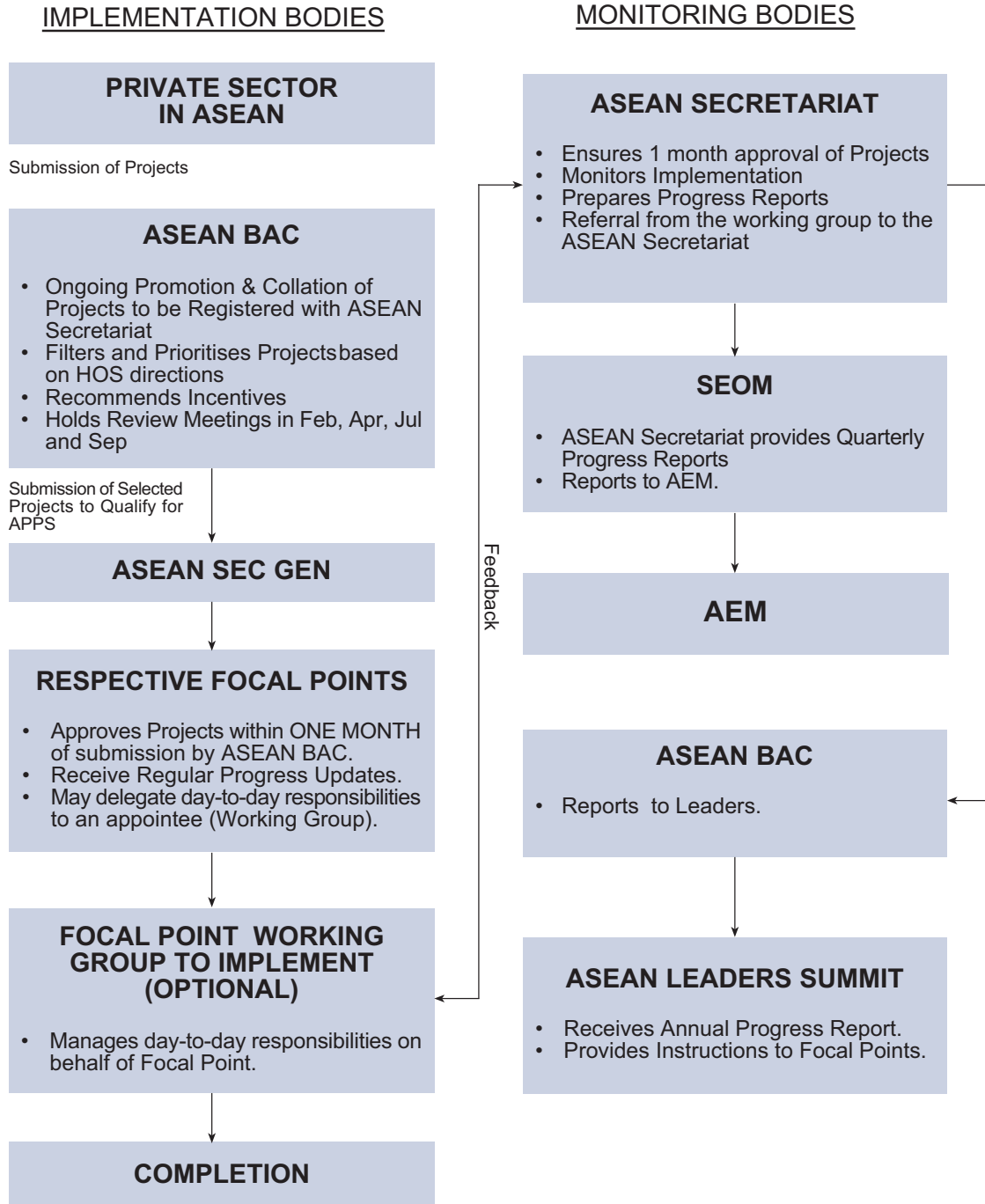
### **The Criteria for APPS**

The APPS will apply to new investments with participation from at least two ASEAN economies.

Projects could include:

- a. An ASEAN company investing in another ASEAN country
- b. Joint Ventures involving Two ASEAN Investors from at least Two ASEAN Countries
- c. Joint Ventures with at least 51% ASEAN equity, in an ASEAN economy.

**Annex A:  
ASEAN Pioneer Projects Scheme (APPS)  
Proposed Implementation Process Flow**





**ASEAN MEMBER COUNTRIES FOCAL POINTS  
FOR ASEAN PIONEER PROJECTS SCHEME (APPS)  
As per 10<sup>th</sup> November 2004**

COUNTRY	CONTACT PERSON
BRUNEI	<b>H.E. Pehin Dato Abdul Rahman Taib</b> Minister of Industry and Primary Resources
CAMBODIA	<b>H.E. Cham Prasidh</b> Minister of Commerce
INDONESIA	<b>H.E. Marie Pangestu</b> Minister of Trade
LAO PDR	<b>H.E. Soulivong Daravong</b> Minister of Commerce
MALAYSIA	<p><b>H.E. Dato's Seri Rafidah Aziz</b> Minister of International Trade &amp; Industry</p> <p><b>Datuk Abdul Razak Hj. Ramli</b> (Secretary General) Ministry of International Trade and Industry</p> <p><i>Agriculture</i> <b>YBhg. Dato' Abi Musa Asa'ari b. Mohamed Nor</b> (Secretary General) The Ministry of Agriculture Malaysia</p> <p><i>Tourism</i> <b>YBhg. Dato' Abdullah bin Jonid</b> (Director General, Tourism Malaysia) The Ministry of Culture, Arts and Tourism Malaysia</p>
MYANMAR	<b>H.E. U Kyaw Thu</b> Deputy Minister, Economic Relations Ministry of Foreign Affairs
PHILIPPINES	<p><i>Agriculture</i> <b>Hon. Arthur Yap</b> Secretary, Department of Agriculture</p> <p><i>Tourism</i> <b>Hon. Joseph "Ace" Barbers</b> Secretary, Department of Tourism</p>
SINGAPORE	<b>H.E. Lim Hng Kiang</b> Minister for Trade and Industry
THAILAND	<b>H.E. Watana Muangsook</b> Minister of Commerce
VIETNAM	<p><i>Agriculture</i> <b>H.E. Cao Duc Phat</b> Minister of Agriculture and Rural Development</p> <p><i>Tourism</i> <b>Madame Vo Thi Thang</b> Chairperson National Administration of Tourism</p>



## 2<sup>nd</sup> ASEAN BUSINESS & INVESTMENT SUMMIT (ASEAN-BIS)

27-28 NOVEMBER 2004  
VIENTIANE, LAO PDR

### ***EVENT PROFILE***

<b>Date:</b>	27-28 November 2004
<b>Venue:</b>	Don Chan Palace
<b>Organizer:</b>	ASEAN Business and Advisory Council (ASEAN BAC)
<b>Co-organizer:</b>	ASEAN Chamber of Commerce and Industry (ASEAN CCI)
<b>Hosted by:</b>	Lao National Chamber of Commerce and Industry (Lao NCCI)
<b>Co-hosted by:</b>	Lao Handicraft Association Lao Association of Travel Agents (LATA) Lao Hotel and Restaurant Association (LHRA)
<b>Event Manager:</b>	Navitas Management Pte Ltd
<b>Supporting Organizations:</b>	Ministry of Foreign Affairs, Lao PDR Ministry of Commerce, Lao PDR ASEAN Secretariat East Asia Business Council (EABC) ASEAN Tourism Association (ASEANTA)
<b>Conference Participation Fee:</b>	USD 500 for participants from non-ASEAN countries USD 250 for participants from ASEAN countries



## Programme

### **ASEAN PLUS ECONOMIC FORUM**

Regional business leaders and the Heads of Government from ASEAN, China, Japan, Korea, and India explore and share their perspective on the region's business environment, prospects and opportunities arising from greater regional integration to realize the ASEAN Economic Community, and from ASEAN's relationships with our major trading partners. ASEAN Leaders, ASEAN Partners' Leaders and Top Business Leaders will be invited as keynote speakers at ASEAN BIS.

### **CROSS-ASEAN INVESTMENT AND BUSINESS PARTNESHIPS**

ASEAN BIS focuses on promoting cross-ASEAN investment and business partnerships in the region as ASEAN remains globally competitive and attractive for business. ASEAN BIS promotes **ASEAN Pioneer Project Scheme (APPS)** proposed by ASEAN-BAC. The ASEAN Pioneer Project Scheme aims to promote cross-ASEAN businesses in the region with a view to developing ASEAN Multinational Enterprises (MNEs) and establishing a large base of ASEAN Small and Medium Enterprises (SMEs). ASEAN BIS aims to provide an avenue for greater networking among private sector players in the region.

### **INDUSTRY DIALOGUE AND NETWORKING**

ASEAN BIS encourages dialogue and networking between regional businesses, especially for ASEAN SMEs, focusing on creating competitive industries within ASEAN, exploring opportunities with trading partners, and assessing both the problems and solutions of ASEAN economic policies in relation to those industries. ASEAN BIS facilitates the process and the signing of MoUs.

### **ASEAN-BIS HEADS-OF-STATES LUNCH**

An ASEAN BIS Heads-of-States Lunch will be organized on November 28, 2004 for the ASEAN, China, India, Japan, Korea leaders, foreign and economic ministers, and representatives of the Private Sector in ASEAN. Selected representatives from key sponsors companies will be invited by the ASEAN Business Advisory Council and the ASEAN BIS Steering Committee to the luncheon.

### **ASEAN-LAO ART & HANDICRAFT EXHIBITION**

An exhibition of ASEAN-Lao Art & Handicraft will be during ASEAN BIS to promote Lao art and handicraft.

### **ASEAN SMALL & MEDIUM ENTERPRISE EXHIBITION**

ASEAN-BIS 2004 SME exhibition offers SMEs in the region a valuable platform to showcase their products and services to the region and at the same time it serves to enhance and strengthen the abilities of SMEs to compete in the global economy.

The exhibition also offers SMEs in the region the opportunity to network and collaborate with their counterparts from the region and beyond.

## Theme : “Leveraging on Agriculture and Tourism to promote ASEAN Economic Integration”

### FRIDAY, 26 NOVEMBER 2004

09:00 – 15:00	<b>ASEAN BIS Power Golf</b>
10:00 – 17:00	<b>Registration for ASEAN BIS 2004</b>
19:00	<b>Ice Breaking Party</b> Welcome Address by: <b>Dr. Sananh Chounlamany</b> Vice-President of Lao National Chamber Commerce and Industry, ASEAN-BIS 2004 Project Manager Participants: ASEAN-BAC Council & Spouse Business VIP & Spouse ( <i>Premium Sponsors, Invited speakers</i> ) Conference Delegates & Spouse Venue: Don Chan Palace

### SATURDAY, 27 NOVEMBER 2004

#### ASEAN BIS DAY 1

07:00 – 08:30	<b>Continuation of registration</b>
08:30 – 09:00	<b>Protocol Arrangements for the opening ceremony and Housekeeping Announcement</b>

#### Opening ceremony of Second for ASEAN BIS 2004

09:00 – 09:20	Welcome Address by: <b>Mr. Kissana Vongsay</b> President of Lao National Chamber Commerce and Industry, Vice Chairman of ASEAN-BIS 2004 Organizing Committee Participants: ASEAN-BAC Council members Business VIP ( <i>Premium Sponsors, Invited speakers</i> ) Conference Delegates Venue: Don Chan Palace
09:20 – 09:50	Opening Address by: <b>H.E. Mr. Bounnhang Vorachith (Confirmed)</b> Prime Minister of Lao PDR, Chairman of ASEAN Summit Theme: Business Opportunities in ASEAN and Declaration of the Official Opening of the Second ASEAN BIS 2004 Participants: VVIP Guest ( <i>ASEAN Foreign Ministers, ASEAN Economic Ministers, Staffers</i> ) ASEAN-BAC Council Members Invited Guest VIP ( <i>SOM, SEOM, Commercial Attaché</i> ) Business VIP ( <i>Premium Sponsors, Invited speaker</i> ) Conference Delegates Venue: Don Chan Palace
09:50 – 10:00	<b>Photo Session</b> Participants: H.E. Mr. Bounnhang Vorachith ASEAN-BAC Council members ASEAN-Secretary General Venue: Don Chan Palace
10:00 – 10:30 (10:00 – 10:30)	<b>Coffee Break</b> (H.E. Mr. Bounnhang Vorachith visit to the Sponsor Showcase, SME and Handicraft Exhibition)

## Promoting ASEAN Businesses Towards Regional Economic Integration

- 10:30 – 10:50**      Keynote  
Address by: **H.E. Mr. Ong Keng Yong (Confirmed)**,  
ASEAN Secretary-General  
Theme: Transforming the Region for Cross-ASEAN Business  
and Investment  
Participants: VVIP Guest (*ASEAN Foreign Ministers, ASEAN  
Economic Ministers, Staffers*)  
ASEAN-BAC Council members  
Invited Guest VIP (*SOM, SEOM, Commercial Attaché*)  
Business VIP (*Premium Sponsors, Invited speakers*)  
Conference Delegates  
Venue: Don Chan Palace
- 10:50 – 11:10**      Keynote  
Address by: **Mr. Oudet Souvannavong (Confirmed)**  
Chairman of ASEAN-BAC  
Theme: Promoting Intra-ASEAN Business under the ASEAN  
Pioneer Project Scheme Framework (APPS) for  
Boosting ASEAN Regional Economic Integration  
Participants: VVIP Guest (*ASEAN Foreign Ministers, ASEAN  
Economic Ministers, Staffers*)  
ASEAN-BAC Council members  
Invited Guest VIP (*SOM, SEOM, Commercial Attaché*)  
Business VIP (*Premium Sponsors, Invited speakers*)  
Conference Delegates  
Venue: Don Chan Palace
- 11:10 – 11:30**      Keynote  
Address by: **Mr. Rudy J Pesik (Confirmed)**  
Chairman and CEO/ Chairman of ABAC 2003)  
Pesik Group of Companies  
Theme: “Development of ASEAN SMEs an Important Base for  
a Competitive ASEAN Economic Community” (*Confirmed*)  
Participants: ASEAN-BAC Council members  
VVIP Guest (*ASEAN Foreign Ministers, ASEAN Economic  
Ministers, Staffers*)  
Invited Guest VIP (*SOM, SEOM, Commercial Attaché*)  
Business VIP (*Premium Sponsors, Invited speakers*)  
Conference Delegates  
Venue: Don Chan Palace
- 11:30 – 11:50**      Keynote  
Address by: **H.E. Mr. Phan Van Khai**  
Prime Minister of Vietnam (Invited)  
Theme: “The Acceleration of the ASEAN Economic Integration  
Through Narrowing the Development Gap”  
Participants: ASEAN-BAC Council members  
VVIP Guest (*ASEAN Foreign Ministers, ASEAN Economic  
Ministers, Staffers*)  
Invited Guest VIP (*SOM, SEOM, Commercial Attaché*)  
Business VIP (*Premium Sponsors, Invited speakers*)  
Conference Delegates  
Venue: Don Chan Palace
- 12:00 – 13:30**      **Power Lunch for Delegates**  
Participants: ASEAN-BAC Council members  
Invited Guest VIP (*SOM, SEOM, Commercial Attaché*)  
Business VIP (*Premium Sponsors, Invited speakers*)  
Conference Delegates  
Venue: Don Chan Palace
- Agriculture**
- 13:30 – 15:00**      **Panel Discussion**  
Moderated By: ASEAN Chambers of Commerce And Industry  
(Mr Freddy Lam, President) (*Confirmed*)

## Panel Members:

- 1) Agriculture Secretary of the Philippines (Hon. Arthur Yap) – “Agriculture Development Strategy Towards Forming The ASEAN Economic Community” (*Invited*)
- 2) Del Monte Pacific Limited (Mr Richard Blossom, Executive Director) – “Leveraging On ASEAN Agriculture Opportunities For A Global Market” (*Confirmed*)
- 3) CP-Group (Dr. Sarasin Veeraphol, Executive Vice President) – “Developing Asian MNCs in Agriculture The Model of CP” (*Confirmed*)
- 4) Asean Chamber of Commerce & Industry (Mr Lee Keng Bin, Chairman, Asean CCI Committee on Food, Agriculture & Forestry) – “Supply Chain of Agriculture” (*Confirmed*)

Theme: ASEAN Economic Integration for Cross Investments in the Region and on Opportunities in the Agriculture Sector

Participants: ASEAN-BAC Council members  
Invited Guest VIP (*SOM, SEOM, Commercial Attaché*)  
Business VIP (*Premium Sponsors, Invited speakers*)  
Conference Delegates

Venue: Don Chan Palace

**15:00 – 15:30**

**Coffee Break**

**Tourism**

**15:30 – 17:00**

**Panel Discussion**

Moderated by: ASEAN Tourism Association (ASEANTA)  
(Ms Elly Hutabarat, Dty President) (*Confirmed*)

## Panel Members:

- 1) Thailand Ministry of Tourism and Sports (H.E. Mr Krirk-Krai Jirapaet, Vice Minister for Tourism and Sports) “Tourism – The Economic Driver of ASEAN” (*Confirmed*)
- 2) To be advised – “ASEAN, A Single Destination”
- 3) Air Asia (Mr Tony Fernandez) – “The Advent of Low Cost Carriers in ASEAN – How has LCC Spurred Tourism Growth in ASEAN” (*Confirmed*)
- 4) Jet Airways (India) Pvt Ltd (Mr Naresh Goyal, Chairman) – “To be advised” (*Confirmed*)

Theme: ASEAN Economic Integration for Cross Investment in the region and on Opportunities in the Tourism Sector

Participants: ASEAN-BAC Council members  
Invited Guest VIP (*SOM, SEOM, Commercial Attaché*)  
Business VIP (*Premium Sponsors, Invited speakers*)  
Conference Delegates

Venue: Don Chan Palace

**19:30 – 22:30**

**Opening Dinner**

Cultural and Fashion show from Lao Handicraft Association (LHA)

Venue: Dansavanh Nam Ngum Hotel

Opening Speech by H.E. Soulivong Dalavong, Ministry of Commerce, Lao PDR (*Confirmed*)

Participants: ASEAN-BAC Council members & Spouse  
Invited Guest VIP & Spouse (*SOM, SEOM, Commercial Attaché*)  
Business VIP & Spouse (*Premium Sponsors, Invited speakers*)  
Conference Delegates & Spouse

## SUNDAY, 28 NOVEMBER 2004

### ASEAN BIS Day 2

#### ASEAN: A Bigger Economy, talk on How ASEAN with China, India, Japan, and Korea could create a bigger Market, a wider Scope for Opportunities

- 09:00 – 10:30**      **Panel Discussion / Extending Business Ties through Business Councils & Chambers**  
 Moderated by: AljefriDean (Dato'Syed Amin Aljefri)(*Confirmed*)  
 Panel Members:
- 1) US-ASEAN Business Council (Walter Lohman, President (Acting) ) – “Fostering US-ASEAN Business Ties” (*Confirmed*)
  - 2) Confederation of Indian Industries (CII) (Mr Sunil Kant Munjal, President of CII and Managing Director and CEO of Hero Corporate Services Ltd – “Developing ASEAN-India Agriculture, Food and Commodity Market-How Indian And ASEAN Business Corporations Can Enjoy Joint Ventures in the Development of the Region”
  - 3) Federation of Indian Chamber of Commerce and Industries (FICCI) (Mr. Y K Modi, President FICCI)
  - 4) China Council for the Promotion of International Trade (CCPIT) Representative Office In Singapore (Mr Zhang Tian Quan) – “Fostering ASEAN-China Tourism Market – How China and ASEAN Business Corporations Can Enjoy Joint Ventures in the Development of Tourism in the Region”
  - 5) The Japan Chamber of Commerce and Industry (Mr Michio Mizoguchi, Standing Advisor of Kajima Corporation) – “ASEAN-Japan Business Ties Under The CEP Framework-Initiative of the Private Sector to Develop Joint ventures in the 12 Priority Sectors”
- Theme: Extending ASEAN Business Ties  
 Participants: ASEAN-BAC Council members  
 Invited Guest VIP (*SOM, SEOM, Commercial Attaché*)  
 Business VIP (*Premium Sponsors, Invited speakers*)  
 Conference Delegates  
 Venue: Don Chan Palace
- 10:30 – 11:00**      **Coffee Break**
- 11:00 – 12:30**      **Private Sector Networking - Extending Business Ties/Corporates**  
 Moderated by: ASEAN-BAC Philippines (Mr. Jose Concepcion, Jr., ASEAN-BAC Philippines Chairman) (*Confirmed*)  
 Presentation by:
- 1) PROTON Holdings Berhad (Tengku Mahaleel, Group CEO) - “Progressive Substitution of Synthetic Rubber with Natural Rubber in the Application & Use in the Automotive and Transportation Industry”
  - 2) DHL (John Mullen) - Topic to be advised (*Confirmed*)
  - 3) Japan Corporate Company
  - 4) China Corporate Company
  - 5) India Corporate Company
- Theme: Business ties and avenues  
 Participants: ASEAN-BAC Council members  
 Invited Guest VIP (*SOM, SEOM, Commercial Attaché*)  
 Business VIP (*Premium Sponsors, Invited speakers*)  
 Conference Delegates  
 Venue: Don Chan Palace
- 11:00 – 12:30**      **Private Sector Networking – SME’s Development (Parallel Session)**  
 Presentation by: SME Exhibitors Forum from ASEAN (*to be confirm*)  
 Theme: Business ties and avenues  
 Participants: ASEAN-BAC Council members  
 Invited Guest VIP (*SOM, SEOM, Commercial Attaché*)  
 Business VIP (*Premium Sponsors, Invited speakers*)

	Venue:	Conference Delegates Don Chan Palace
<b>12:30 – 14:00</b>	<b>Power Lunch For Delegates</b>	Venue: Don Chan Palace
<b>12:30 – 14:00</b>	<b>ASEAN BIS Head of State Lunch</b>	Participants: <b>H.E. Mr. Bounnhang Vorachith (Confirmed)</b> Prime Minister of Lao PDR, Chairman of ASEAN Summit
		<b>H.E. Mr. Phan Van Khai (Confirmed)</b> Prime Minister of Vietnam
		<b>The Right Honorable Dato Seri Abdullah Bin Haji Ahmad Badawi (Confirmed)</b> Prime Minister of Malaysia
		<b>H.E. Samdech Hun Sen (Invited)</b> Prime Minister of The Kingdom of Cambodia
		<b>H.E General Soe Win (Invited)</b> Prime Minister of The Union of Myanmar
		ASEAN Foreign Ministers + 3, + India Foreign Minister ASEAN Economic Ministers + 3 + India EM ASEAN Secretary General Head of State Accompanying Ministers Ambassador of ASEAN-Countries + 3 + India ASEAN-BAC Council members SEOM, SOM + 3 + India SEOM ASEAN Economic Partners + 3 + India Economic Partner Business VIP ( <i>Premium Sponsors, Selected Private Sector Representatives *, Invited speakers</i> ) Conference Delegates, Staffers
	Venue:	Lao Plaza Hotel
<b>14:30 – 15:00</b>	Keynote Address by:	<b>The Right Honorable Dato Seri Abdullah Bin Haji Ahmad Badawi</b> Prime Minister of Malaysia ( <i>Confirmed</i> )
	Theme:	The Role of Sub-Regional Integration Initiative in Building ASEAN's Competitiveness
	Participants:	VVIP Guest ( <i>ASEAN Foreign Ministers, ASEAN Economic Ministers, Staffers</i> ) ASEAN-BAC Council members Invited Guest VIP ( <i>SOM, SEOM, Commercial Attaché</i> ) Business VIP ( <i>Premium Sponsors, Invited speakers</i> ) Conference Delegates
	Venue:	Don Chan Palace
<b>15:00 – 15:30</b>	Coffee Break	
<b>15:30 – 16:00</b>	Keynote Address by:	<b>H.E. Mr. Roh Moo Hyun</b> President of Republic of Korea ( <i>Invited</i> )
	Theme:	East Asia Vision
	Participants:	VVIP Guest ( <i>ASEAN Foreign Ministers, ASEAN Economic Ministers, Staffers</i> ) ASEAN-BAC Council members Invited Guest VIP ( <i>SOM, SEOM, Commercial Attaché</i> ) Business VIP ( <i>Premium Sponsors, Invited speakers</i> ) Conference Delegates
	Venue:	Don Chan Palace
<b>16:00 – 16:30</b>	Keynote Address by:	<b>H.E. Dr. H. Susilo Bambang Yudhoyono,</b> President of the Republic of Indonesia ( <i>Invited</i> )

	<p>Theme: The Future of ASEAN Competitiveness</p> <p>Participants: VVIP Guest (ASEAN Foreign Ministers, ASEAN Economic Ministers, Staffers) ASEAN-BAC Council members Invited Guest VIP (SOM, SEOM, Commercial Attaché) Business VIP (Premium Sponsors, Invited speakers) Conference Delegates</p> <p>Venue: Don Chan Palace</p>
<b>16:30 – 17:00</b>	<p>Keynote Address by: <b>H.E. Dr. Manmohan Singh</b> Prime Minister of India (Invited)</p> <p>Theme: ASEAN India a wider scope for Economic Opportunities</p> <p>Participants: VVIP Guest (ASEAN Foreign Ministers, ASEAN Economic Ministers, Staffers) ASEAN-BAC Council members Invited Guest VIP (SOM, SEOM, Commercial Attaché) Business VIP (Premium Sponsors, Invited speakers) Conference Delegates</p> <p>Venue: Don Chan Palace</p>
<b>17:00 – 17:30</b>	<p>Keynote Address by: <b>Her Excellency President Gloria Macapagal-Arroyo</b> President of the Philippines (Invited)</p> <p>Theme: The future of Expanded ASEAN Economic Integration</p> <p>Participants: VVIP Guest (ASEAN Foreign Ministers, ASEAN Economic Ministers, Staffers) ASEAN-BAC Council members Invited Guest VIP (SOM, SEOM, Commercial Attaché) Business VIP (Premium Sponsors, Invited speakers) Conference Delegates</p> <p>Venue: Don Chan Palace</p>
<b>17:30 – 18:00</b>	<p>Keynote Address by: <b>H.E. Mr. Wen Jiabao</b> Premier of PR. China (Invited)</p> <p>Theme: ASEAN China Expanded Economic Opportunities</p> <p>Participants: VVIP Guest (ASEAN Foreign Ministers, ASEAN Economic Ministers, Staffers) ASEAN-BAC Council members Invited Guest VIP (SOM, SEOM, Commercial Attaché) Business VIP (Premium Sponsors, Invited speakers) Conference Delegates</p> <p>Venue: Don Chan Palace</p>
<b>18:00 – 19:00</b>	<p><b>Signing of MoU</b></p> <p>Venue: Don Chan Palace</p>
<b>19:30 – 22:30</b>	<p><b>Closing Ceremony Dinner with Cultural show from Laos</b></p> <ul style="list-style-type: none"> <li>❖ Closing Address by H.E. Mr. Somsavat Lengsavad, Deputy Prime Minister, Minister of Foreign Affairs</li> <li>❖ Farewell Address by Mr. Oudet Souvannavong, Chairman of ASEAN BAC</li> <li>❖ Welcoming Address to ASEAN BIS 2005 in Malaysia by Incoming Chairman of ASEAN BAC, ASEAN BAC Malaysia</li> </ul> <p>Participants: VVIP Guest &amp; Spouse (ASEAN Foreign Ministers, ASEAN Economic Ministers, Staffers) ASEAN-BAC Council members &amp; Spouse Invited Guest VIP &amp; Spouse (SOM, SEOM) Business VIP &amp; Spouse (Premium Sponsors, Invited speakers) Conference Delegates &amp; Spouse</p> <p>Venue: Don Chan Palace</p>

\* Open to Platinum, Gold, Silver & equivalent sponsors only

# Promoting ASEAN Businesses

## Towards Regional Economic Integration

### Preamble

Following the mandate of the ASEAN Leaders for greater public-private sector partnership in making ASEAN an economically integrated and competitive region, the ASEAN Business Advisory Council (ASEAN BAC) was launched in April 2003 in Jakarta, Indonesia.

The ASEAN Leaders envisaged transforming the region into an ASEAN Economic Community – a single market and a single production base. An economically integrated ASEAN will make the region more competitive.

Companies in ASEAN can flourish and grow into ASEAN MNCs by leveraging mainly on the growth of China and India, and on ASEAN's strength and natural resources. Many "Made in ASEAN" brands in products and services could be promoted.

Embracing this vision, ASEAN BAC will work in partnership with the ASEAN Governments to develop a vibrant and growing base of ASEAN companies, large and small. The best of these companies will grow into ASEAN MNCs. This network of companies will help integrate ASEAN economies.

While ASEAN lacks many indigenous companies that are competitive at the regional and global levels, ASEAN does not lack entrepreneurs. ASEAN BAC, in partnership with the ASEAN Governments, could help strengthen ASEAN's business environment to grow competitive indigenous ASEAN companies. Specifically, ASEAN BAC recommends the ASEAN Governments to:

- (a) nurture the growth of ASEAN SMEs through establishing a conducive ASEAN business environment;
- (b) promote and support their transformation into ASEAN MNCs capable of competing at regional and global levels; and
- (b) create an ASEAN common market and promote ASEAN products, ASEAN brands and promote the concept of "Made in ASEAN".

### ASEAN Opportunities

The ASEAN BAC made a SWOT (strengths, weaknesses, opportunities and threats) analysis. In the exercise, ASEAN BAC and Members examined the following main components:

- (a) Revenue Generation Opportunities:
  - Tourism
  - Agriculture
  - Muslim market
  - Natural resource exploitation



- (b) Investments:
  - Funding availability
  - Adequate basic infrastructure
  - Education and training
  - R&D and product development
  
- (c) Government Process Improvements:
  - Customs
  - Immigration
  - Quarantine
  - Access to Markets & Investments

In total, 26 initiatives were identified to enhance ASEAN's global competitiveness and to facilitate business operations in the region.

### **Priority Sectors**

Implementing the 26 initiatives will take time. Hence, the ASEAN BAC has identified two priority sectors for immediate attention, both with substantial levels of employment in the region. These are tourism and agriculture. ASEAN BAC can work together with the Governments of ASEAN.

#### **Tourism**

The tourism sector should be considered a priority due to the significant potential for increased revenue and employment for the region. The promotion of tourism also has a type of multiplier effect whereby tourists see business opportunities in other areas.

- (a) ASEAN Countries provide diverse tourist attractions for tourists. ASEAN should promote all these attractions collectively, as an ASEAN package.
- (b) Target ASEAN and the emerging markets of China, India and the Newly Industrialized Asian Economies.
- (c) Adopt the ASEAN open skies policy so that tourists from various parts of the world can travel to ASEAN easily.
- (d) Allow one single visa entry into three or four ASEAN countries for a specific collective tourism promotion program.
- (e) Provide incentive to encourage participation of ASEAN companies to develop tourism infrastructure.

#### **Agriculture**

Agriculture forms a basis of the economy in our region, affecting the livelihood of major portions of our regional population. With fertile grounds, there are enormous potentials in this area, not only for regional consumption but also for export.

- (a) Agriculture development leverages on our abundance of natural resources. At the same time, ASEAN can be the source of food supply to China and India, and other parts of the world.

- (b) An integrated ASEAN market of 550 million will provide a huge market for the emergence of large-scale ASEAN cultivations and business operations that re competitive on a global level.
- (c) Nevertheless, Governments need to address soft infrastructure issues:
- |             |   |  |
|-------------|---|--|
| Customs     | : | expeditious export and import of goods   |
| Immigration | : | easy movement of professionals, technical and highly skilled personnel                   |
| Quarantine  | : | common understanding of rules among ASEAN countries, facilitating rules and regulations. |
- (d) Improve basic physical infrastructure (roads, air and sea ports) to bring products to markets cheaply and efficiently.
- (e) Provide incentive schemes to encourage the participation of the ASEAN companies in such infrastructure projects.

Timeframe for the above recommendations: 12 to 18 months.

### **Key To Success Is Implementation**

The key to success in building vibrant pan-ASEAN companies is action and implementation. For ASEAN to be a single market and production base, businesses need fast track approval and facilitation across ASEAN. **ASEAN BAC's vision is 10 Governments - Single Implementation.**

#### **Scheme**

To realize the vision, an **ASEAN Pioneer Projects Scheme** is proposed. This will cover any business project that originates from the ASEAN companies involving two or more ASEAN economies. To start off, projects should focus on the 2 priority areas.

#### **Implementation**

**ASEAN BAC** is prepared to be the champion for such an initiative with the private sector. ASEAN BAC could promote the scheme and mobilize the ASEAN business community to take part actively. ASEAN BAC will report to the ASEAN Leaders at the next Summit the projects identified and any unresolved issues that may need to be addressed.

**It is recommended that each ASEAN government appoint specific officials** with a mandate to work together with the ASEAN BAC, ASEAN partner countries, and the ASEAN Secretariat to expedite project approvals and to ensure their effective and speedy implementation.

#### **Other Initiatives**

Once success is achieved in these 2 priority sectors, the scheme could be extended to other areas.



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# ASEAN Business Advisory Council Members

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## BRUNEI DARUSSALAM

**HRH Prince Abdul Qawi**  
Deputy Executive Chairman  
QAF Holdings Sdn Bhd

**Mr. Lim Beng Tai**  
Chief Executive Officer  
Lim Teck Hoo Holdings Sdn Bhd

**Mr. Razali Johari**  
Executive Chairman  
Archipelago Group

## CAMBODIA

**Mr. Sorn Sokna**  
Vice President  
Phnom Penh Chamber of Commerce

**Mr. Kong Triv**  
Elected Member  
Phnom Penh Chamber of Commerce

**Mr. Hann Khieng**  
Chairman of Industry Sector  
Phnom Penh Chamber of Commerce

## INDONESIA

**Mr. Rudy J. Pesik**  
Chairman and CEO, PT Birotika Semesta/DHL  
Pesik Group of Companies

**Mr. Henry Hutabarat**  
National Director for IMTGT-Business Council

**Mr. Rudjito**  
President Director  
Bank Rakyat Indonesia (BRI)

## LAO PDR

**Mr. Oudet Souvannavong**  
Chief Executive Officer  
Mixai Hotels Company Limited (TAI-PAN Hotel)

**Dr. Sananh Choulamany**  
Vice President  
Lao National Chamber of Commerce and Industry

**Mr. Khamchanh Lattanavong**

Member of the Executive Board of Lao  
National Chamber of Commerce and Industry

MALAYSIA

**Dato' Syed Amin Aljeffri**

Managing Partner  
M.G.I. Aljeffri & Co., Chartered Accountants

**Dato' Dr. Zahrah BT. A. Kadir**

Managing Director  
B&Z Plastic Industry Sdn. Bhd.

MYANMAR

**Prof. Dr. Sein Myint**

President  
Myanmar Engineering Society

**U Win Aung**

Vice President  
Union of Myanmar Federation of Chambers of Commerce and Industry

**Dr. Ko Ko Gyi**

Member of Central Executive Committee  
UMFCCI

PHILIPPINES

**Mr. Jose S. Concepcion, Jr.**

Chairman, RFM Corporation

**Mr. Miguel B. Varela**

Honorary Chairman  
Philippine Chamber of Commerce and Industry, International Relations

**Ms. Rose Teodoro**

President, Philippine Chamber of Commerce Foundation Inc.

SINGAPORE

**Mr. Lim Chee Onn**

Executive Chairman  
Keppel Corporation Limited

**Mr. Tony Chew**

Executive Chairman  
Asia Resource Corporation Pte. Ltd

**Mr. Robert Yap**

Chief Executive Officer/Managing Director  
YCH Group

THAILAND

**Mr. Phairush Burapachaisri**

Director/Treasurer

Board of Trade of Thailand and the Thai Chamber of Commerce

**Dr. Twatchai Yongkittikul**

Secretary-General of the Thai Bankers' Association

**Mr. Viraj Klewtatinond**

Deputy Secretary General of the Federation of Thai Industries

VIETNAM

**Mr. Pham Van Tan**

Director General Export Promotion Centre

Vietnam Textile and Garment Corporation

**Mr. Luc Chanh Truong**

Assistant Director General

Mechanic Engineering Refrigeration Joint Stock Company

**Mr. Vuong Hoang Son**

Investment and Development Director

Agriculture and Processed Food Import Export Corporation