

MAR. 2016

Member News

- ✧ [Khalid A. Al-Falih](#) of Saudi Aramco was named the 2016 Energy Intelligence Petroleum Executive of the Year by a selection committee comprised of top global oil industry executives.
- ✧ [Dominic Barton](#) of McKinsey & Co. spoke in India on the importance of innovation in an age of disruption. He discussed with [Bloomberg](#) short-term economic volatility and growth prospects in Asia; and also spoke to [Pakistani Prime Minister Nawaz Sharif](#) on the country's economic turnaround and policy priorities going forward. Additionally, he was selected to chair the Canadian government's new [Advisory Council on Economic Growth](#).
- ✧ [Cheng Wai Keung](#) of Wing Tai Holdings spoke to the *Business Times* on the opening of a new fund management unit to invest in the Asia-Pacific region.
- ✧ [Tony Fernandes](#) of AirAsia was quoted in Free Malaysia Today on his optimistic outlook on the Indian market. He was also recognized by the [U.S.-ASEAN Business Council](#) with the Fourth Pillar Award for his contribution to the growth of ASEAN and the U.S.-ASEAN relationship.
- ✧ [Jamshyd Godrej](#) of Godrej & Boyce sat with *The Economic Times* for an interview where he discussed the evolution of the company's structure over the years and new areas for growth.
- ✧ [Alan Joyce](#) of Qantas Airways discussed the importance of human capital and was also quoted in the *Financial Times* on his thoughts opposing Brexit.
- ✧ [Anand Mahindra](#) of Mahindra & Mahindra was interviewed by *The Economic Times* and discussed the Indian economy and the auto sector. He also spoke on the importance of the "Make in India" campaign in rallying Indian companies, the possibility of bringing the electric [Formula E race](#) to Mumbai, and the [Mahindra Blues Festival](#).
- ✧ [Hiroaki Nakanishi](#) of Hitachi was quoted regarding his company's plans to stay in the United Kingdom in the event of Brexit.
- ✧ [Yasuhiro Sato](#) of Mizuho Financial Group was interviewed by the Worldfolio and discussed Abenomics, the Chinese and U.S. markets, and fintech.
- ✧ [Mark Tucker](#) of AIA Group spoke to Bloomberg about challenges and opportunities for his company's growth.
- ✧ [Marcus Wallenberg](#) of SEB was interviewed by CNBC-TV18 about Europe's need for structural change and increasing trade ties between Sweden and India.
- ✧ [Yang Yuanqing](#) of Lenovo Group spoke on the upcoming launch of its new phone with augmented reality software.
- ✧ [Jaime Augusto Zobel de Ayala](#) of Ayala Corp. was interviewed by HQ Asia on the influence of conglomerates in emerging economies and the importance of looking to the future for his firm. He also spoke on future plans of Ayala's [Affordable Private Education Center](#) schools for expanding affordable and quality education.

To send us member news, or for member news questions, please click [here](#).

North Korean Satellite Launch Prompts South Korea to Close Kaesong Industrial Zone

North Korea tested a hydrogen bomb in January, followed by a satellite launch in February. South Korean President Park Geun-hye responded by announcing the closing of Kaesong Industrial Complex, the last major symbol of inter-Korean cooperation. [The Guardian](#) writes that closing Kaesong will hurt South Korea, as it reneges on a promise President Park made three years ago not to close the site again. The [Straits Times](#) adds that the shutdown could cost 124 South Korean companies more than \$650 million, and experts don't expect the region to reopen within the year. Sheena Greitens argues in a column for [Brookings](#), that the closing of Kaesong was the right move to make, as income from Kaesong went directly into the pockets of the North Korean regime's inner circle, insulating them from meaningful reform, rather than contributing to the broader economy.

Indian Economic Reforms on Hold

India has passed China as the fastest growing economy in 2015, but still looks enviously upon China's manufacturing sector, which is 32 percent of China's GDP (roughly twice the Indian number), according to [The Economist](#). Prime Minister Narendra Modi relaunched his "Make in India" initiative in February in an attempt to ignite manufacturing growth, draw foreign investment, and capitalize on China's recent economic volatility. [The Indian Express](#) says that that Modi's third budget, released at the end of February, does not fulfill his promises of economic revitalization, and former Finance Minister P. Chidambaram called it a "wasted opportunity." Although the budget nominally focuses on rural development, the [Nikkei Asian Review](#) suggests that the budget was viewed by some analysts as a way of winning the support of the rural masses ahead of upcoming regional elections.

2016 Spring Forum in Review

The Asia Business Council's 2016 Spring Forum was held in Singapore, February 18-20. The Forum began with a Welcome Dinner at the Flower Field Hall in the Gardens by the Bay, during which Deputy Prime Minister Tharman Shanmugaratnam addressed our participants on the current restructuring in China and its implications for Asia. He also spoke about structural challenges in advanced economies pertaining to jobs, education, pensions, and inclusion. Forum sessions took place over the next two days at the Four Seasons Hotel Singapore. The Forum Dinner took place at the Aura Sky Lounge in the National Gallery Singapore on the second evening. Both dinners were co-hosted by Cheng Wai Keung of Wing Tai Holdings Ltd. and Lim Boon Heng of Temasek Holdings (Private) Ltd.

At the Round-Robin discussion, members discussed a range of topics, including concerns over China's slowdown in the industrial sector coupled with strong growth on the consumer side, driven by the rising middle class; the Fourth Industrial Revolution, which requires businesses to adapt to new competition and value chains; the downturn in oil prices; demographic challenges around Asia; and, in Europe, the refugee crisis and the threat of Brexit.

The first afternoon session, on new opportunities in water, was moderated by George Tahija of PT Austindo Nusantara Jaya and featured Gerardo C. Ablaza Jr. of Manila Water, Minister Ek Sonnchan of Cambodia, and Dan Eldar of Hutchison Water, who spoke about their respective efforts to use technological innovation and policy guidance to deliver clean and reliable water services. In the second afternoon session, moderated by Koh Boon Hwee of Credence Partners, entrepreneurs Chong Chee Wah, Tanmai Sharma, and Wong Mun Yew provided their insights on the entrepreneurship scene in Singapore and shared their thoughts on current trends, as well as how the growth of startups can be further supported.

Saturday morning started with a session on Asians in the context of global leadership, moderated by Doan Viet Dai Tu of Openasia Group; the discussion centered on the shift to non-Western leadership in the world, and the leadership challenges of multilateral institutions in global governance. Professor Kishore Mahbubani, Dean and Professor of Public Policy at the Lee Kuan Yew School of Public Policy at the National University of Singapore, shared his thoughts on the growing demand for strong leadership around the world; a discussion among participants on leadership challenges around Asia followed. The final session, moderated by Nobuyuki Idei of Quantum Leaps Corp., was focused on smart cities and urban innovation, with Khoo Teng Chye of the Centre for Liveable Cities speaking on the transformation of Singapore from a place with "every urban ill" to a sustainable and pleasurable place to live, and Hiroaki Nakanishi of Hitachi touching on the importance of social innovation in developing a city that is human-centered, and not built solely on hyper-efficient technology.

All presentations and summary notes from the Forum are available on our secured participants-only Web site. The user name and password will be sent to participants separately.

Upcoming Forum Dates

2016 Autumn Forum: Abu Dhabi, September 22-24

2017 Spring Forum: Ho Chi Minh City, February 23-25

2017 Autumn Forum: Istanbul (location to be confirmed), September 28-30

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