

Member News

- ◇ [Dominic Barton](#), former Global Managing Partner of McKinsey & Company, has been appointed as Chair of the International Integrated Reporting Council, which aims to foster transparency in corporate reporting. He also has become [Chairman](#) of Teck Resources.
- ◇ [Ronnie C. Chan](#) of Hang Lung Properties recently led a delegation of Hong Kong businesspeople from The Better Hong Kong Foundation on a trip to Russia. The delegation was received by high-level Russian government officials and business leaders, including Adviser to the President Anton Kobayakov, Minister of Economic Development Maxim Oreshkin, Mayor of Moscow Sergei Sobyanin, and Governor of St. Petersburg Georgy Poltavchenko.
- ◇ [Morris Chang](#) of TSMC has been appointed Taiwan's special envoy to the Asia-Pacific Economic Cooperation (APEC) summit in November.
- ◇ [Tony Fernandes](#) of AirAsia announced a partnership with Google Cloud to integrate machine learning and artificial intelligence as part of its transformation into a travel technology company.
- ◇ [Lance Gokongwei](#) of JG Summit Holdings has been named a Best CEO for Emerging Markets by *Institutional Investor*. He spoke to *Financial Times* about rising inflation in the Philippines and its effects on consumers' discretionary spending.
- ◇ [Rajiv Lall](#) of IDFC Bank Ltd. has been appointed to the board of the India fund of Social Finance, one of the world's leading impact financing platforms. He has been announced as [non-executive Chairman](#) of the merged entity of Capital First and its subsidiaries with IDFC Bank.
- ◇ [Aloke Lohia](#) of Indorama Ventures announced a joint venture with Loop Industries to manufacture and commercialize sustainable polyester resin.
- ◇ [Takeshi Niinami](#) of Suntory Holdings discussed with Bloomberg his company's Brexit plans and Japan's consumer outlook. He also discussed [U.S.-China trade tensions](#) and his China strategy.
- ◇ [Lubna S. Olayan](#) of Olayan Financing Co. has been appointed Chair of what will be the third-largest lender in Saudi Arabia, following the merger of Saudi British Bank and Alawwal Bank. She is the first woman in her country to run a publicly traded bank.
- ◇ [Penny Pritzker](#) of PSP Partners shared her concerns in an interview with Mint about technology's impact on jobs and stressed her support for a revised NAFTA and belief in multilateral agreements such as the Trans-Pacific Partnership. At a *Fortune* conference, she emphasized the need for systemic change to better link education to jobs, in order to ensure economic security for America.
- ◇ [Serge Pun](#) of Serge Pun & Associates spoke at the World Economic Forum on ASEAN about Yoma's partnerships to fight malaria in Myanmar. He spoke to *Nikkei Asian Review* about his company's expansion into consumer businesses and his plans to build a new urban center in Yangon.
- ◇ [Thapana Sirivadhanabhakdi](#) of Thai Beverage has announced a new management structure following the acquisition of breweries in Myanmar and Vietnam, to boost the company's beer business in ASEAN.
- ◇ [Chartsiri Sophonpanich](#) of Bangkok Bank spoke about opportunities arising from urbanization and technology, as well as growth in ASEAN and China, in an interview with *Asiamoney*, which is part of *Euromoney*.
- ◇ [Teresita Sy-Coson](#) of SM Investments Corp. opened the GRI Sustainability Summit 2018 by speaking about the need for businesses to align their agenda with sustainability and social concerns.
- ◇ [Yuanqing Yang](#) of Lenovo Group announced the launch of the world's first 5G smartphone at the 2018 Lenovo Tech World summit.
- ◇ [Jaime Augusto Zobel De Ayala](#) of Ayala Corp. also spoke at the GRI Sustainability Summit about adjusting business models to become more inclusive in meeting the needs of broader customer segments. He has been named a [Best CEO for Emerging Markets](#) by *Institutional Investor*.

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

2018 Autumn Forum in Review

The Asia Business Council's 2018 Autumn Forum was held in Shenzhen, September 27-29. The Forum began with an optional visit to the top of Ping An Finance Center, the tallest building Shenzhen and second-tallest in China. At the afternoon seminar on the Greater Bay Area (GBA) initiative, speakers from government and business spoke about the huge market opportunities that the GBA provides due to its large size, rapid growth, and openness. Besides infrastructure building, the GBA will need to focus on the implementation of business-friendly policies and the preservation of creative thinking and freedoms that attract global talent. At the Welcome Dinner at the Grand Ballroom of The Ritz-Carlton, Shenzhen co-hosted by Li Dongsheng of TCL Corp. and Yuanqing Yang of Lenovo Group, the Guest of Honor, Vice Mayor of Shenzhen Wang Lixin, spoke about Shenzhen's focus on technology and design, and growing opportunities for cooperation between Shenzhen and other parts of Asia. Forum sessions took place over the next day and a half at The Ritz-Carlton, Shenzhen. The Forum Dinner took place at Four Seasons Hotel Shenzhen on the second evening, where Dr. Fu Yuning, Chairman of China Resources Group, spoke about his experience running one of the largest SOEs in China.

The Round-Robin discussion began with perspectives on various Asian economies, China, the U.S., and Europe. Some highlights include the following: While the U.S.-China trade war is a major concern, the conflict potentially provides opportunities for other Asian economies in the medium term. China is at a crossroads with two competing visions—one being a more open, market-oriented economy, and the other being an economy with greater state control. The U.S.'s labor market is tight and the economy needs to transition to more productivity-driven growth with greater use of automation and A.I. Other concerns raised included the mistaken focus on short-termism getting in the

way of solving problems requiring long-term solutions, such as re-tooling the education system to accommodate digitalization. The rise of populism worldwide and technological disruption in various sectors present new challenges.

The first afternoon session on Asia and the New International Economic Order focused on the paradigm shift from a unipolar to multipolar system, the flattening of the financial hierarchy, and broken public trust, all of which require businesses to develop new models in order to adapt. The next session focused on technology and innovation in Shenzhen, where panelists spoke on the innovative capacity happening in Shenzhen and China more broadly, especially in social and business model innovation; healthcare in particular is a traditional sector that has been disrupted heavily by digitalization.

Saturday morning started with the session China's Rise: China and Its Neighbors. Panelists pointed out that China's global infrastructure projects have multiple goals and are sometimes met with fear by potential partner countries, and that China has financed many different projects around the world to varying degrees of success. The Belt and Road Initiative (BRI) faces challenges but there are potential solutions and partnership opportunities for international businesses. The forum closed with the session The Future of Finance and Fintech, which explored the ways in which financial technologies continue to transform banking and finance, including lending to consumers and small and medium enterprises. Blockchain is a pivotal technology that brings many benefits compared to the traditional centralized approach of conducting transactions. To face challenges brought about by new fintech companies, financial-sector incumbents need to adopt digital strategies to compete and avoid disintermediation. On Saturday afternoon, a number of members and guests attended an optional visit to the China Star Optoelectronics Technology (CSOT) factory in Shenzhen.

All presentations and summary notes from the Autumn Forum in Shenzhen are available on our secured participants-only website. The username and password have been sent to participants separately.

Synopsis of Asia Business Council briefing: Shenzhen, Beijing, and Silicon Valley: Chinese and U.S. Technology Clusters Vie for Supremacy

Driven by a proliferation of emerging, connected, and converging technologies, the economic future for China and the U.S. will be one of immense change. Currently, a nation's ability to innovate is closely linked to perception of national mastery, extending national hegemony into ecosystems of business infrastructure such as those created by large technology companies. Increasingly, the competitive advantage of nations rise and fall on their ability harness technological innovation as an engine for economic growth. Nowhere is this taking place more radically and profoundly than in China, where, through heavy investment in technology, China hopes to upgrade multiple industries and raise the standard of living for all. The current briefing examines three technology clusters: two in China and one in the U.S., tracing common success factors and highlighting challenges they must each overcome to generate high-quality growth.

The three clusters in focus are: The Greater Bay Area in China's Pearl River Delta, Silicon Valley in the United States, and the Beijing-Tianjin-Hebei region, known as Jing-Jin-Ji. While Silicon Valley is an established technology hub, firmly rooted in a market-oriented economy, China's Greater Bay Area and Jing-Jin-Ji technology clusters have more explicit state involvement and are emerging as Silicon Valley's most significant global rivals. The briefing examines each cluster's unique strengths and future potential. Part I describes the history of each technology cluster's emergence. Part II identifies common success factors for technology clusters and compares the three in terms of their approach to and performance on each factor. Part III analyzes key challenges each of the clusters must resolve in order to reach the next level, defined as a business environment which spawns successful companies and enhances societal welfare overall.

To read the research briefing in full, please click [here](#).

Asia Business Council Annual Survey Results 2018

The Asia Business Council annual survey of members was conducted in July 2018 and yielded a response rate of 81%. Collectively, respondents indicated the lowest optimism and highest pessimism in their outlook for the year ahead since 2008. The threat of an escalating U.S.-China trade war is by far the most common concern cited by respondents. Other concerns include currency pressures, weak U.S. leadership, and growth slowdown or uncertain growth prospects of major economies in Asia, including China, Korea, Japan, and Taiwan, as the trade conflict disrupts global supply chains.

China tops current and future investment destination by a widening gap, overtaking the U.S., which had been the top investment destination for the past two years (excluding investments from members' home countries), followed by the U.S. Indonesia, India, and Vietnam are the next most-popular investment destinations in the near future.

Technological issues, which the respondents were asked about for the first time in this year's annual survey, topped the list of concerns in terms of macro issues. The trends of automation, artificial intelligence, and robotics, and their effects on workforces, are seen as key concerns, as is the growing power of technology giants in the U.S. and China. Overall, digital transformation was seen both as a significant challenge and opportunity for businesses in Asia.

For an executive summary of the survey results, please click [here](#).

Upcoming Forum Dates

2019 Spring Forum: Yangon, February 28-March 2

2019 Autumn Forum: New Delhi, September 26-28

2020 Spring Forum: Tokyo, March 26-28

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