



Session Title: Beyond Borders

Date & Time: 4 April, 9:40am – 10:20am

Moderator: Siobhan Das, AMCHAM Executive Director

Speakers: The Honorable **Kamala Shirin Lakdhir**, US Ambassador to Malaysia
The Honorable **Sung Kim**, Ambassador to the Philippines
The Honorable **Kurt Tong**, Consul General to Hong Kong and Macau
The Honorable **Stephanie Syptak-Ramnath**, Charge d’Affaires to Singapore

Introduction & Purpose:

How can American companies help the US government move forward in ASEAN. This session calls for an understanding of the unintended consequences of government changes and presenting it back to the government. Essentially, a two-way communication is vital plus the commitment to ensure a fair and reciprocal relationship between the US and other countries.

Concerns were raised about trade deficits, sanctions on North Korea and challenges in the US-China relations, which is leading to a trade war. Looking from different country’s perspective operating in a competitive environment, the solutions called for perseverance, patience, raising the standards to maintain US lead position globally and how to bring the message back to Washington.

Summary of the session

Moderator: What are you looking for from our businesses and how can we support your mission to improve the stance of American businesses in the region?

Speaker: Kamala Shirin Lakdhir

Kamala, who counts information and the perspective she received from US firms in Malaysia as the two most important things, asked for their comments to be forwarded to her as soon as possible as their ability to assist and engage with the government would usually take some time.

In her advocacy for US companies, Kamala said she would try to maintain fairness and **understand the bigger picture**, stressing that it is very useful for them to know what the companies think about.

US firms can help us understand the unintended consequences of a decision that has been made while AMCHAM can help present the longer-term projections to the government. **If you are not doing something broader and bigger, you are not an American firm.**

Speaker: Sung Kim

With **advocacy in Washington being more important**, he urged delegates to **be more active in terms of communication** with Washington.

Speaker: Kurt Tong

He believed that **two-way street communication is “absolutely important” besides understanding the regional context that Hong Kong (HK) operates in.**

Speaker: Stephanie Syptak-Ramnath

In charting a bold future, she urged US companies to **start winning or taking back the narrative** not only on their CSR activities but also on the successes achieved in their businesses.

“American businesses are growing, prospering and doing great things in this region but somehow, we are caught up in this narrative we are losing. We owe it to yourselves to tell our stories more effectively.

“So, whenever you have a win, done something that’s exciting like you are inaugurating a new factory or have a new initiative that you are starting, please invite us to be part of it so that we can get it not only on our social media but also when we sit with government officials, we can tell your story.

“We need to work more effectively together to change this narrative that somehow the US is retreating because we are absolutely not and

are here for the future. We need to tell people and show them the successes we are having. That is my challenge for all of you.”

Moderator: All of you work in countries of high prominence in this region and receive delegates from the US. What trade and investment messages are these high-level delegations bringing from Washington?

Speaker: Sung Kim

During the US President Trump’s visit last November to the region, the central theme was its **commitment for a fair, open and reciprocal trade** although how that will manifest in terms of specific steps and policies moving forward still needs to be developed.

Speaker: Kurt Tong

Trade deficits, bilateral issues and sanctions on North Korea were among the concerns. Overall, the top theme was the **challenges presented by China**. The nature of US-Chinese trade has changed from trading different goods in both directions to China to directly competing with US industries in more advanced manufacturing goods and services.

The idea of using a bilateral approach in getting at the China problem has also been challenged. A multilateral approach has been suggested. We get a lot of focus on the US as the transgressor but that’s not the case in the trade war with China.

Speaker: Stephanie Syptak-Ramnath

We need to urge the countries in the region to ensure the deals they are undertaking with any partner are transparent and bankable. We have had the Democrats and Republicans alike say we should have looked at Trans-Pacific Partnership Agreement (TPPA) in a different light.

Moderator: What’s Philippines’ interest in the Free Trade Agreement (FTA) with the US and the US government’s response to that interest?

Speaker: Sung Kim

The Philippines is the first candidate for a new bilateral FTA in the region. They raised their interest at the summit meeting between US President Trump and the Philippines President Duterte in November. This was followed up with senior level discussions in Washington and Manila.

While many countries are very disappointed when we pulled out of the TPP and multilateral engagements, we **remained focus on economic relationships in the region**. That would send a positive, reassuring message and I hope to see some improvements this year.

Moderator: HK is the gateway to China for many. What are the MNCs doing? Are they changing and shifting their point of view? How do they treat HK and are they going direct to China?

Speaker: Kurt Tong

The presence of US corporates in HK is increasing. US companies and investors from other parts of the world continue to see enormous value proposition in HK. Most importantly for business, its government's regulatory environment is extraordinary predictable, transparent and not corrupt. You have all these advantages while also being inside China besides having Chinese speaking workforce and those fluent in mainland Chinese business practices.

HK has some **weaknesses** and homework to do, particularly in keeping up with technology changes. **It's not a major center for IT engineering** and has not caught up much of the emergence of new businesses connected with IT that its neighbour Shenzhen has. HK is thus very intent on building deeper economic linkages with Shenzhen and to provide legal framework for the success of the geeks who populate Shenzhen. That's a potential formula for success.

A central question is whether HK can get its act together or will it be distracted by how much China wants to have. This is a larger political exercise than an economic one.

Moderator: Singapore is hosting many ASEAN activities after taking over the chairmanship this year. What are the economic messages emerging from Singapore for ASEAN to advance?

Speaker: Stephanie Syptak-Ramnath

Singapore has two main narratives for their championship of ASEAN. They are very **focused on** two issues, **innovation and resilience** and are looking at it from the economic and security standpoints.

Their work on **digital economy** and smart cities are of interest to the business community. Singapore is trying to create a **smart network in the**

ASEAN's parent cities under a smart ASEAN framework and are **looking for partners**.

They are also **working on ecommerce laws and regulations**. AMCHAM and others are actively involved in this and cybersecurity issues. Singapore, which has some experience, **wants to look at cybersecurity within the region**. **They will sweeten the pot for companies**. We are seeing that in the health industries and in innovation. They have created several networks to **support small and medium enterprises and to reach out into the region**.

Moderator: ASEAN is quite competitive within itself. With three ambassadors here, how do you think that's playing out as everyone is fighting for that investment dollar. Is there more work that needs to be done in bringing the region together and what more can be done?

Speaker: Kamala Shirin Lakdhir

Malaysia wants to be a regional hub. It is trying to recruit people away from Singapore, HK and the Philippines. In a bilateral sense, it is very useful to hear what your companies are thinking, particularly on placing a hub or expanding an investment here.

We are aware of the integration of ASEAN and the **advantages of ASEAN aligning in terms of regulations and best practices that allow for greater trade and support** that would be useful for the companies here. But there is also this **dynamic of competition**.

Speaker: Sung Kim

The need to remind governments, politicians and policy makers there is **competition** from other countries in this region. While the Philippines has reformed their much-needed tax codes which is good for competition, we are worried some provisions might work against foreign investors and foreign companies in US. AMCHAM has been working very hard on this.

Perseverance and patience are also important. When we get frustrated by certain things that governments do, it is important to step back and consider the overall context and the history of your relationship with that country.

Speaker: Stephanie Syptak-Ramnath

With **Asean set to be the fourth largest economy**, there is plenty of room for all in the region. Citing Singapore, which has **the rule of law and framework** to offer American companies to expand in the region, she said the country also has **good marks on corruption**

We can see the countries competing to raise their standards to have American companies, we can all benefit from that. **Competition is a healthy thing.**

Takeaway from the session

- Intermediaries between US companies and the local government
- Start winning the narrative with your success stories
- Change the narrative that the US is retreating
- The focus is on a fair and reciprocal trade relationship in the region
- Given the dynamics of competition in ASEAN, perseverance and patience are vital
- We are a reliable partner. Choose America always
- Work together and bring the messages back to Washington.