



## ASEAN Focus    ASEAN Presence

The ASEAN Legal Alliance (ALA) Newsletter is a quarterly newsletter offering updates on legal and business issues within the ASEAN Economic Community.

### **Regional Updates: Singapore**

#### **Singapore International Commercial Court**

The Singapore International Commercial Court ("SICC") was launched on 5 January 2015 at the Supreme Court.

This new specialist court is a division of the Singapore High Court and part of the Supreme Court of Singapore. The SICC is positioned to hear international commercial disputes and part of a plan to position Singapore as the top dispute resolution hub in Asia, which includes the Singapore International Arbitration Centre and the Singapore International Mediation Centre.

The SICC panel of judges includes both Supreme Court and international judges. Parties will also be given the option to apply for a SICC-registered foreign-qualified lawyer to represent them.

*As at 31 July 2014, 2475 matters were referred to the SMC, with 73% of disputes successfully settled. Since its inception, about S\$3.2 billion worth of disputes have been mediated at the SMC, the highest quantum being S\$209 million.*

*In the 2013 SIAC annual report, the SIAC handled 259 new cases, a 10% jump from the previous year, and the average disputed amount for the same year was \$24.44 million - \$3.5 billion being the highest - more than twice the amount from the year before (SIAC 2013 Annual Report).*

-SingaporeLaw.sg

Contributed by Dacheng Wong Alliance LLP, ALA Singapore Partner Firm.

### **Upcoming Events**

**ALA Conference  
Kuala Lumpur  
11 September 2015**

In November last year, the ALA held its inaugural ASEAN Legal Alliance Conference in Singapore, organized by founding member firm - Dacheng Wong Alliance LLP. Please visit [www.aseanlegalalliance.net](http://www.aseanlegalalliance.net) for photographs of the event.

This year, the ALA will be holding its second annual legal conference in Kuala Lumpur on 11 September 2015, to be organized by founding member firm - Yeoh Mazlina & Partners. The focus of this year's conference will be on wealth management, wealth protection, estate planning, investments and emigration.

Please contact us to register your interest to either attend or be a sponsor at the event.

**National Estate Planning  
Conference  
Singapore  
25-27 November 2015**

The Inaugural National Estate Planning Conference 2015 will be organized by the Estate Planning Standard Board, where topics on trust, wills and estate planning will be discussed. ALA is proud to be supporting the event.

## Regional Updates

### Vietnam: Ease of Doing Business

A government resolution issued in March 2014 pushing reforms such as simplified customs procedures had resulted in an improvement in the business environment and competitiveness of Vietnam by reducing costs, time and risks involved in doing business in the country.

Mr Dang The Duc, Managing Partner at Indochine Counsel - ALA Vietnam Partner Firm says, *"It is indeed the right time for these new measures to be implemented. As the AEC is being formed, Vietnam must stay ahead and be investor-friendly."*

### Vietnam: SSC lays out policies to attract foreign investment

The State Securities Commission (SSC) is to finalise a set of new policies in 2015 involving the expansion of foreign ownership in entities within the country. The Commission will amend some provisions in Decree 58/2012, which provides guidelines for the implementation of the Securities Law, with the biggest amendment being increasing the scope of participation of foreign investors in Vietnamese companies.

### Indonesia: Negative Investment List

The Negative Investment List reduces foreign investment restrictions for some businesses - advertising, is now 51% open to foreign investments coming from ASEAN member countries. The pharmaceutical manufacturing industry is now open to a maximum of 85% foreign investment.

Restrictions were also eased in a number of business fields for public-private partnerships (PPP), including power transmission, which is now open to 100% foreign investment in a PPP project conducted during the concession period.

The List also increases foreign ownership restrictions for several businesses. The distribution sector, which was previously 100% open to foreign investment, is now limited to only 33%. This restriction is applicable to companies engaging solely in the distribution business and is not applicable on import activities and manufacturing companies that distribute their own products. Such a restriction is imposed to protect local distributors.

*"Under the leadership of our new President Joko Widodo, economic policies are now more aligned towards attracting foreign investors. As lawyers, we see this as a positive step towards economic progress,"* says Mr M. Aidil Fitriyah, Partner at ADVOKATKU - ALA Indonesia Partner Firm.

## ALA Happenings

On 11 April 2015, Mr Aloysius Wee, Chairman of the ALA, represented the ALA by delivering a speech on the "Legal Pitfalls of Doing Business in ASEAN" at the World Chinese Elite Entrepreneur Summit 2015 China-ASEAN Cooperation Forum, held in Bangkok, Thailand.

The event was attended by entrepreneurs from China, India and the ASEAN region. Guest of Honour, Deputy Prime Minister of Thailand, Mr M.R. Pridiyathorn Devakula, welcomed all delegates to invest in ASEAN which he says is the region with the highest economic growth this decade.



### Apisith & Alliance Ltd – ALA Thailand Partner Firm is pleased to announce:

- The formation of the firm's Japanese Practice. Increasingly, Apisith & Alliance has been entrusted to represent Japanese clients and advise their Japanese counsel with whom the firm has established close working and professional relationships in order to better serve the needs of both major Japanese multinational corporations and mid-sized Japanese companies in Thailand.
- As of February 2015, Worawut Anupornwattanakit, formerly senior associate, has been promoted to partner. Worawut will co-head the firm's Corporate & Commercial Practice Group as well as its Litigation Practice.
- As of 9 April 2015, Pattaravadee Kongcharoeniwan (Dee), formerly senior associate, has been promoted to partner. Dee will co-head the firm's Intellectual Property Practice Group where she will be responsible for day-to-day management of work and client handling. Yupparat Roikaew and Pornsawan Apichaisiri have also been promoted to senior associate in the Intellectual Property Practice Group and Corporate & Commercial Practice Group, respectively. Previously, Wiyadathawin Luenchavee was promoted to senior associate in January 2015.

### Dacheng Wong Alliance LLP (DCWA) – ALA Singapore Partner Firm is pleased to announce:

DCWA engaged Ms Judy Ang<sup>TEP</sup> as a Trust Consultant with effect from 15 March 2015. Judy will co-head the firm's Private Client, Wealth Management and International Real Estate Practice Group. She will also support ALA member firms in the areas of practice.

## Regional Updates

### Thailand: New Seven-Year Plan at the BOI

The Thai Board of Investment recently approved a seven-year plan, running from 2015 to 2021, to promote inbound as well as outbound investments.

The Board of Investments focuses on innovative technology that supports a digital economy and industries which taps on local resources. The Board specifically requires the use of modern technological processes and new machinery unless the use of old machinery is granted special approval. Sufficient environmental protection systems need also be installed, along with the submission of an environmental impact statement.

The BOI mainly targets on investment projects in the lower income provinces by offering incentives such as industrial estates to potential foreign investors. Special economic zones will also be established. Businesses that establish operations in these special economic zones will be granted an additional three years of corporate income tax exemption in addition to the standard incentives.

Some incentives as follow:

- Some BOI companies are exempted from corporate income tax for up to eight years.
- Some BOI companies are granted a 50% reduction off the normal corporate income tax rate for up to 5 years after the tax exemption period.
- There are tariff exemptions or reductions on the import of new machinery or raw materials.
- Work permits are granted to foreign national owners and BOI companies may employ foreign employees.
- Some BOI companies can assume ownership of the land for business operation purposes.
- The use of foreign currency in transactions is permitted.

*“With the new direction set, there will be greater clarity and transparency for foreign investors. We expect foreign direct investments to increase in the coming years,”* says Mr Apisith John Sutham, Senior Partner at Apisith & Alliance Ltd - ALA Thailand Partner Firm.

For more information on the incentives, please contact our ALA Thailand Partner Firm, Apisith & Alliance Ltd.



Photo Credit: Maptaphut Industrial Estate Thailand by Fenn Designers





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To compete more effectively in the ASEAN Economic Community (AEC) which will be formed in 2015, the ASEAN Legal Alliance (ALA) was formed to bring together law firms from each of the 10 member states to provide a truly ASEAN wide legal network. The AEC will make ASEAN a common market for business, trade and commerce. However, the legal market will remain separate and distinct, differentiated by different legal systems, languages, cultures and business practices.

The ALA brings together law firms in each of the member countries, with over 100 lawyers working in close cooperation to provide legal services across the whole of ASEAN. Each firm has the requisite experience to handle foreign investments and has the business knowledge to assist clients in navigating through the different business cultures that prevail in each ASEAN country.

### ALA Member Firms

Brunei	Cheok Advocates and Solicitors	<a href="mailto:brunei@aseanlegalalliance.net">brunei@aseanlegalalliance.net</a>
Cambodia	HML Law Firm & Consultants	<a href="mailto:cambodia@aseanlegalalliance.net">cambodia@aseanlegalalliance.net</a>
Indonesia	Advokatku Legal Audit Consultant	<a href="mailto:indonesia@aseanlegalalliance.net">indonesia@aseanlegalalliance.net</a>
Laos	Lao Law & Consultancy Group	<a href="mailto:laos@aseanlegalalliance.net">laos@aseanlegalalliance.net</a>
Malaysia	Yeoh Mazlina and Partners	<a href="mailto:malaysia@aseanlegalalliance.net">malaysia@aseanlegalalliance.net</a>
Myanmar	Myanmar Global Law Firm	<a href="mailto:myanmar@aseanlegalalliance.net">myanmar@aseanlegalalliance.net</a>
Philippines	GSMH Law	<a href="mailto:philippines@aseanlegalalliance.net">philippines@aseanlegalalliance.net</a>
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