

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

Please email us at [editorial@aseanlegalalliance.net](mailto:editorial@aseanlegalalliance.net) if you would not like to continue to receive future editions of the newsletter.

## 2<sup>nd</sup> ASEAN Legal Alliance Conference 2015 “Building and Protecting Our Wealth”

The 2<sup>nd</sup> ASEAN Legal Alliance Conference 2015 successfully took place at St. Giles The Gardens Hotel Midvalley, Kuala Lumpur, Malaysia on 14th and 15th September 2015.

The conference was brought together by ALA, headed by ALA Malaysia member firm, Yeoh Mazlina and Partners. More than 200 participants attended the two-day conference and heard from a panel of industry experts regarding private wealth management, estate planning and asset protection for both individuals and businesses in ASEAN. The conference was concluded with a gala dinner on 15 September 2015.



## Other Past Events

### ASEAN – Taipei Lawyers’ Exchange Taipei, Taiwan 5-6 November 2015

ALA presented a seminar with the Taipei Bar Association on 5 and 6 November 2015. The seminar, titled “Doing Business in the ASEAN Economic Community (AEC)”, explored topics such as Arbitration and Intellectual Property within the ASEAN region and Taiwan. Representatives from ALA attended and presented at the seminar.



## Upcoming Events

ALA will be organizing a “One Belt, One Road” conference in the second half of 2016. Topics to be presented by distinguished speakers include investments along the One Belt, One Road, incentives and recent developments. More details will be made available on the ALA website.

**Regional Updates**

**INDONESIA**

In 2015, Indonesia experienced weak consumer spending and poor gross domestic product (GDP) growth. It also underwent a Cabinet reshuffle, at least 5 stimulus packages and regulatory reforms. Its currency declined the most among Asian emerging markets last year.

The forecast for 2016 by Bank of America Merrill Lynch analysts includes falling commodity prices, resistance to reforms, failure to revive infrastructure investment and tighter global monetary conditions.

The Indonesian economy is projected by the World Bank to grow 5.3 per cent this year.

Indonesia has much to bring to the Asean Economic Community. More than half of its population of 250 million live in cities and the middle class is projected to double to 80 million by 2020.

**MALAYSIA**

Malaysia's biggest trade partner China slowed down, global oil prices slumped, the new goods and services tax curbed consumer spending and the 1MDB sovereign fund saga turned into a political scandal in 2015.

In 2016, the fiscal deficit may swell over the oil-price plunge and miss the target of 3.1 per cent of gross domestic product (given probable weaker corporate income tax and GST collection), the political crisis surrounding 1MDB may worsen and uncertainty over a successor to outgoing central bank governor Zeti Akhtar Aziz is a concern, as mentioned by Bank of America Merrill Lynch analysts.

Ringgit depreciation may occur as United States interest rates rise and the yuan depreciates.

The open Asean market provides an opportunity as well as competition.

**ALA Happenings**



**The Rise of Asia's Property Investment Destination**

On 8 August 2015, SkyBridge International together with ALA Singapore member firm, Dacheng Wong Alliance LLP (DCWA) and ALA Malaysia member firm, Yeoh Mazlina & Partners, held an investment talk on Malaysia real property investment in Nanning, Guangxi. Nanning is the host city of China-ASEAN Expo every year and it serves as a gateway of China to ASEAN countries.

The CEO of SkyBridge, Mr. Adrian Un, spoke on the property investment landscape in Malaysia and the vast opportunities available. He also introduced the impact of the Malaysia Economic Transformation Program on the property sector.

**ALA Happenings**

**CONGRATULATIONS!**

Congratulations to Mr. Matthew Yeoh, Managing Partner of Yeoh Mazlina & Partners (ALA Malaysia member), on being conferred the title of Datuk Seri from the State of Malacca.

Mr. Yeoh also heads the Private Clients and International Real Estate Practice Group in ALA.



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**Seminar: "One Belt, One Road" – How China is driving economic development in the ASEAN economies**

The seminar was jointly organized by the ALA and Singapore member firm, DCWA, for Hainan Business Club on 15 August as part of the ALA's effort in promoting and encouraging investments into ASEAN while AEC 2015 gradually takes form.

Our participants' profile range from financial and business advisors to local SME owners and companies already having a strong presence in the ASEAN region and are looking to expand further.

Mr. Aloysius Wee, Chairperson of the ALA and Managing Principal of DCWA, spoke on the strategic collaborative efforts of China and ASEAN as economic, social and cultural partners, the benefits of investing in ASEAN, why enterprises should leverage on the resources brought about by the "One Belt, One Road" initiative, and finally, how local SMEs can leverage on various government grants for international expansion.

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**COLLABORATION**

ALA entered into a collaboration with Time 4 Asia, a group of professionals from Malaysia promoting Malaysia as a destination for investment.

ALA will also assist Time 4 Asia in bringing their partners out of Malaysia into ASEAN.

There will be synergies between the two of us coming together", said Mr. Matthew Yeoh, who sits on both platforms.

## Upgrading Thai Copyright Law: New Copyright Act B.E. 2558 by Pattaravadee Kongcharoeniwat, Partner, Messrs. Apisith & Alliance (ALA Thailand Member)

Since 1994, the rights of copyright holders in Thailand have been protected by the Copyright Act B.E.2537 (1994), ("original Act"). The original Act has been enforced in order to protect authors' absolute rights in their contributions. As time went by, Thailand and other countries have developed technologies resulting in modernized technological instruments that broadly give the society general access to the internet or any online media. The technological advancements and modernized instruments make it fast and convenient for recording sounds or images, but the downside is that they also result in greater number of copyright infringement through computer. Even though reproduction of sounds or images from copyrighted cinematographic works in cinemas can be done easily, the original Act per se does not prescribe penalties for the copyright infringement through computer systems or such reproduction.

Therefore, a new Copyright Act B.E.2558 (2015), (the "Act"), was enacted and became effective as of August 4, 2015. The aim of the Act is to protect any type of authors who distribute their works online. Moreover, the new Copyright Act protected copyrighted cinematographic works in cinemas arising from the public behavior during the use of online media and modernized technological instruments in the digital age.

The Act provides explicit penalties for infringement of copyright through computer systems. In the circumstance when the social network users post images or videos from the internet or from other website providers, distribute them without giving credits to the author, and falsely claim for the ownership or use them in commercial way, the Act provides further protection by allowing the copyright owner the Right to request the court for an order against any unauthorized distributor or claimer. It prescribes the fine of 10,000 to 100,000 Baht. Additionally, if such action is done commercially, the penalties prescribed are 3 months to 2 years imprisonment or between 50,000 to 400,000 Baht fine, or both imprisonment and fine along with confiscating or destroying copyright-infringed items. In comparison with the original Act, the Act provides such penalties only for infringement by selling, letting, communicating to public, distributing in a manner which may cause damage to the owner of copyright, or importing into the Kingdom. But for the infringed items, they shall become the property of the copyright owner and materials relating to the offense shall be seized.

Apart from the above, the penalties stipulated in the Act are extended to cover infringement of copyright or performers' rights. It provides the court authority to order the infringer to compensate the copyright owner for damages as it deems appropriate. In case that the infringer intends to infringe copyright or performers' rights, the court may raise the amount of compensation but not more than double of such amount as it deems appropriate.

The Act provides further provisions that unauthorized recording of sounds and videos in cinemas shall be regarded as infringement of copyright which cannot be claimed for one's personal or familial benefit exemption providing in the original Act. Such action will lead to the penalties of 6 months to 4 years imprisonment or between 100,000 to 800,000 Baht fine, or both imprisonment and fine.

In conclusion, it is obvious that the enforcement of the Act will provide greater protection to authors who distribute their works online and opportunities to force the infringer to cease such infringement. Moreover, the Act prescribes the protection of cinematographic works and exception which allows more access to copyrighted works by disabled people.

## Regional Updates (continued)

### THAILAND

More than a year after the military seized power to end political unrest, Thailand has yet to make progress. Exports and domestic demand remain weak, and just before 2016 began, its central bank revised the growth projection for this year from 3.7 per cent to 3.5 per cent. It is predicted that Thailand's real gross domestic product growth will improve only slightly to 3.3 per cent this year, over an estimated 3.2 per cent expansion last year.

Uncertainty over a return to civilian rule and succession plans for the ailing king will impact on foreign investor confidence this year. Thailand is in deflation with the baht losing 8.8 per cent against the US dollar, the third-worst performance in Asia.

As Thailand is a member of the Asean Economic Community, its retail market is expected to grow with its continued urbanization, growth in tourist arrivals and strong domestic buying power. However, as Thailand is not a member of the Trans-Pacific Partnership, the country may be hurt as investment and trade move toward member markets.

However, Thailand's Cabinet will invest in infrastructure projects this year. With muted inflation pressures, this may benefit the transport-related and utility industries.

### PHILIPPINES

The Philippines has experienced impressive growth in recent years, causing analysts to label the country the region's economic strongman.

Analytics firm IHS Global Insight upgraded the credit rating for South-east Asia's fifth-largest economy to positive and predicted that it would become a US\$1 trillion (\$\$1.4 trillion) economy by 2030.

Growth of 5.5 to 6 per cent is expected, supported by private consumption, a modest fiscal deficit and current account surplus fuelled mainly by remittances from its overseas workers and revenues from its business process outsourcing (BPO) industry.

Exports are expected to continue to struggle amid general economic weakness in key regional trading partners China and Japan. There will be risks involved if the income or employment of Filipinos overseas or in BPO is undermined by weaker global growth. The currency will continue to face headwinds against the United States dollar.

As the Philippines prepares for elections this year, this may have an impact on the reform process started by the outgoing President Benigno Aquino.

### VIETNAM

Vietnam had a good year in 2015, with accelerated economic growth in the fourth quarter due to rising industrial output and record-high foreign investment.

Vietnam is expected to have a 2016 which is as good or better.

It is expected to benefit from the Asean Economic Community and the Trans-Pacific Partnership.

Vietnam becomes an increasingly attractive investment destination because of its relative political stability, cheap labour and a growing middle class. The State Bank of Vietnam is expected to further devalue the currency.



ASEAN Focus | ASEAN Presence

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

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