

# MONTHLY NEWSLETTER

Volume 7/Issue 4 - April 2021

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In April, the EU-ASEAN Business Council hosted a meeting with the Bureau of Customs, Philippines, and held a roundtable on Illicit Trade in Free Trade Zones with the attendance from high-level officials from the OECD, EUIPO, EU, and ASEAN.

In this month's story in our new series titled, "European Businesses - Empowering ASEAN Recovery", Pernod Ricard is in the Philippines helping coconut farmers adopt more sustainable agricultural practices to protect the longevity of the environment and the livelihoods of the community. Read more below.

Behind the scenes, the EU-ABC is working on exciting events and publications to bring EU businesses even closer to the ASEAN community. We are excited for what is lined up for our members in the next few months!

# **EU-ABC EVENTS & ACTIVITIES**

# Roundtable Meeting with Bureau of Customs, the Philippines



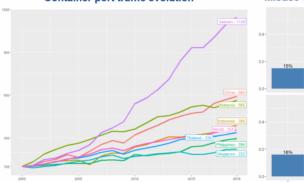
The EU-ABC hosted a roundtable meeting with the Bureau of Customs, Philippines and met with Commissioner Rey Leonardo Guerrero for a productive discussion about customs and border security in the Philippines.

Key discussion topics include:

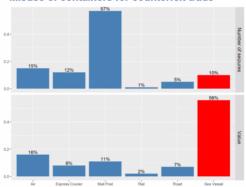
- The Bureau of Custom's priorities for 2021
- Trade facilitation
- Illicit Trade

# OECD Task Force on Countering Illicit Trade Fvidence Governance gaps Solutions

### Container port traffic evolution



Misuse of containers for counterfeit trade



Featuring experts from the OECD, EUIPO, government officials from the EU and ASEAN, and members of the EU-ASEAN Business Council, the roundtable discussed the challenges faced by business and law enforcement due to the lack of proper governance in Free-Trade Zones.

This roundtable follows the publication of EU-ASEAN's advocacy paper on illicit trade titled, "Tackling Illicit Trade in ASEAN", where the members of the EU-ASEAN Business Council recommends ASEAN to adopt the OECD's recommendations on countering illicit trade, enhancing transparency in Free Trade Zones, and the OECD code of conduct for clean Free Trade Zones.

# 7th Business Sentiment Survey



**Share With Us What Matters!** 

The EU-ASEAN Business Council's Business Sentiment Survey is Back for its 7th Run!

The EU-ASEAN Business Sentiment Survey is our annual flagship publication that serves as a barometer for current European business sentiment in the ASEAN region, with a focus on key issues such as

customs & trade regulations, regional and global developments, COVID-19 responses, and other challenges to European Businesses in ASEAN, amidst an increasingly challenging global trade environment, compounded by the pandemic. It is distributed to, and read by, policymakers and key stakeholders right across the ASEAN region and in Europe.

If you are an Executive in a European firm with a presence in ASEAN, share with us your outlook and concerns for the region in 2021 and beyond. Results will be compiled and published in September later this year.

Don't miss out on this chance to have your voice heard by government leaders and public policymakers -- respondents will receive preliminary findings of the survey results directly in their inboxes!

Take the Survey

# **European Businesses - Empowering ASEAN Recovery**

April's edition of this series features Pernod Ricard's enhancement of the Environment, Social, and Governance principles into its supply chain. More specifically, Pernod Ricard reaches out to coconut farmers in the Philippines to improve the sustainability of their agricultural practices and by extension, strengthening the livelihoods of these farmers. Read below to find out more.

# Pernod Ricard Helps Give A New Lease for the 'Tree Of Life'



Coconut trees remind us of sun, sea, sand and a beach holiday. But for millions of farmers in the Philippines, coconut farming is livelihood. It's one of the most useful trees in the world because all parts from top to bottom can be used to sustain human life. As one of the world's most important commercial palm crops, the coconut can be used for food, fuel, cosmetics and building materials. Coconut extract is also use to flavor Malibu—the world's best-selling Caribbean coconut rum.

But sustainability of coconut supply is a going concern. Despite being one of the world's largest producers and exporters of coconuts, Filipino coconut farmers are among the poorest and least productive, with majority cultivating less than four hectares of land in remote, rural areas. About 20% of coconut trees in the 3.5 million hectares covered by the crop are old, and the soil is degraded and infertile. Lacking support, training and education, most farmers don't practice inter-cropping or replanting aging trees to keep the soil healthy, improve yields and augment income. On top of this, farmers end-up indebted to traders and are forced to accept the pittance paid for the crops they worked so hard for. On average, many coconut farming families subsist on just USD1 a day. Difficult living conditions and the cycle of poverty have forced young people to find jobs elsewhere, putting at stake the development and sustainability of the coconut supply chain.

Pernod Ricard, owners of popular liquor brands such as Malibu rum and Absolut vodka—through subsidiary The Absolut Company, has joined forces with Symrise AG, The Franklin Baker Company of the Philippines and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to improve the sustainability of the Philippine coconut supply chain by providing support to over 500 coconut farmers in

the provinces of Quezon and Camarines Norte who supply raw materials which ultimately end-up in every bottle of Malibu rum.

Smallholder coconut farmers take part in trainings developed with the Philippine Coconut Authority on Good Agricultural Practices with focus on intercropping and farming as a business. The project also uses the Farm Sustainability Assessment tool developed by the Sustainable Agriculture Initiative (SAI) to validate and help improve actual farming practices. The program also includes initiatives to enhance crop productivity and capacity development to improve income from farming, and open market access directly to farmers.

Over the next four years, the program hopes to have increased productivity by 20% in farms that practice sustainable agricultural methods; and farmers' incomes by about 15%.

By regenerating and reinvigorating the lives and livelihoods of coconut farmers, Pernod Ricard and its partners help enable a new lease of life—one that makes a significant impact on stability in the supply chain for raw material and makes a meaningful impact to millions of Filipinos dependent on coconut farming.

### In The News

The EU-ABC at the 7th ASEAN Finance Ministers and Central Bank Governors' Meeting (AFMGM) featured on the <a href="https://doi.org/10.1016/j.central-normal-research.com">https://doi.org/10.1016/j.central-normal-research.com</a>.

EU-ABC's report on illicit trade was featured in an op-ed in the South China Morning Post.

EU-ABC's featured in The Business Times in an article about vaccine passports.

EU-ABC's report on illicit trade featured in an article titled 'COVID-19 and the problem of illegal goods trade in ASEAN'.

# **EU-ABC UPCOMING EVENTS**

# **Roundtables & Webinars**

- 4 May Roundtable with the Royal Malaysian Customs Department (members only)
- 11 May Webinar: Fit-For-Purpose Regulatory Frameworks For Digital Health Post COVID-19:

Opportunities for ASEAN (register <u>here</u>)

- **14 May** Webinar: ASEAN's 2021 Digital Toolkit Series: Removing Roadblocks for Future Growth (register <a href="here">here</a>)
- **20 May** In-person meeting with Indonesia Investment Promotion Centre (BKPM) in Singapore (members only)

For more information about our Roundtable series or the In-Person Meeting with BKPM, kindly contact either Chris Humphrey (chris.humphrey@eu-asean.eu) or Shangari Kiruppalini (shangari.kiruppalini@eu-asean.eu).



Register Here



# **EU-ABC MEMBERS**















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