

Rebuilding and strengthening industries

Koji **Toyokuni** Director-General of **JETRO Paris** (The Japan External Trade Organization)

How to rebuild, support and develop the industrial base within global competition? The Director-General of JETRO Paris explains the role of his agency, which provides support to Japanese enterprises in exporting but also helps French firms to develop in Japan.

> REPORTING BY LEIKO SAKURAI AND PHILIPE PELAPRAT

Could you explain to us the mission of JETRO in France?

Koji Toyokuni: JETRO (the Japan External Trade Organization) is the government agency that supports Japanese enterprises in their development overseas. Established in 1963, today the Paris office is developing a second activity: promoting French investments in Japan.

France is an important market: if Japanese SMEs can export to France successfully, they can then get access to the world market, and that is why they all try to establish commercial bases here. Furthermore, the many international trade fairs in France attract buyers from the entire world and we present a great variety of Japanese products at them.

Concerning foreign investments in Japan, our government has decided to increase them by creating new incentives such as subsidies and tax exemptions. JETRO is here to explain these measures to enterprises that would like to develop in Japan by taking advantage of these aids, as Sanofi and Eurocopter already have. We also help French SMEs who want to distribute their products in Japan without going through the shosha (trading companies). We provide them furnished offices free of charge and offer them legal counsel and recruiting advice.

JETRO also promotes the EU-Japan free trade zone. In October 2012, at a seminar at Science Po Paris, we debated with industrialists and researchers and were told that our explanations changed their point of view.

Can you give us some examples of fruitful Franco-Japanese cooperation?

K. T.: We encourage investment in Japan, particularly in R&D. In the automotive field, Japanese manufacturers want their industrial expansion in emerging countries to be accompanied by their suppliers. They would thus like their partners to accompany them right from the phase of conception of their vehicles. It was for this reason that parts manufacturer Faurecia decided to invest in an R&D center in Japan. Japanese car makers consider their strategies on the basis of globalized production, so there are great opportunities for the development of French enterprises in this field.

What is JETRO's role in the reconstruction of the Tohoku region?

K. T.: Tohoku is the region that exports the most electronic components and equipment. Such large corporations as Toshiba and Fujitsu are located there. The events of March 11 2011 obviously having affected production, the economy of Tohoku is currently supported by the activities of new car factories and by the rebuilding effort. This rebuilding dynamic will of course end one day, so it is important to create new industries before this period ends. Despite the consequences of the earthquake, we cannot allow ourselves to get behind in the evolution of our industrial structures. We must therefore abandon non-competitive activities in favor of new industries. For this reason, car companies are turning to high added value production: electric accumulators, compact vehicles, etc. Agriculture and fishing are important assets for Tohoku. The Japanese food **GG** Supporting and developing industries that are competitive on the global market .

"

boom over the past years has stimulated high quality agri-food production, and thanks to the future EU-Japan free trade zone, we will be able to better promote such products as sake. The Japanese foodstuff market is still very small in Europe as compared to the United States, despite its strong presence in many international trade fairs.

The goal in rebuilding Tohoku is in the end to support and develop industries that are competitive on the global market. To achieve this, it is necessary to deepen and widen exchanges with France in particular. Reconstruction is by no means an easy task, but we must move forward.

JETRO's presence at trade fairs