

**Special points of interest:**

- According to H.E. Mr. Komatsu, Ambassador of Japan, "one should say that the Agreement on Free Trade and Economic Partnership (FTEPA) between Japan and Switzerland entered into force, really at the right time, on 1 September 2009".
- Japan's GDP grew 0.4% in the second quarter of 2010, 1.5% at annual rate.
- JETRO organized a workshop on the Swiss legal system held on September 17 and took part in WTO Open Day on September 19.

## Deepening the relations between Japan and Switzerland

Since the 1864 Treaty of Amity and Trade between Switzerland and Japan, the relations between the two countries have been substantially strengthened.

The two countries have recently signed a large number of agreements related to trade, finance, cooperation, science, social security... Among them, Switzerland and Japan signed the Free



H.E. Mr. Komatsu,  
Ambassador of Japan  
in Switzerland

Trade and Economic Partnership Agreement which entered into force one year ago, on September 1, 2009.

H.E. Mr. Komatsu, Ambassador of Japan in Switzerland, stressed the importance of these agreements to further develop the relations.

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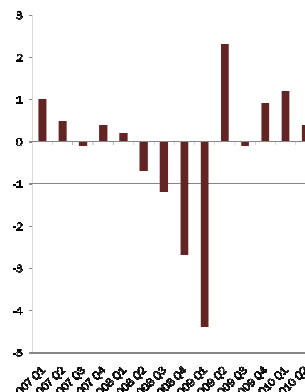
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## Japan's current economic situation

According to the Bank of Japan's (BoJ) October Monthly Report of Recent Economic and Financial Developments, "Japan's economy still shows signs of a moderate recovery, but the pace of recovery is slowing down".

Japan's GDP grew 0.4% in the second quarter of 2010, 1.5% at annual rate, while it increased 1.2% (5.0% at annual rate) in the first quarter of this year (see graph). In addition, the index of industrial production was in August of 94.3 (2005=100), up 15.1% over the year and down 0.5% month-on-month. The index of business conditions increased 19.4% in August from previous year,



GDP changes from previous quarter  
(seasonally adjusted series)  
Source: Cabinet Office

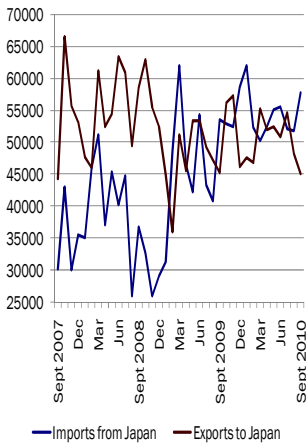
but declined 0.5% from previous month. BoJ also stated that "exports are expected to continue increasing, albeit moderately for the time being, reflecting continued improvement in

overseas economic conditions". Exports rose 14.3% to ¥ 5,841 billion in September from previous year. Exports were up 14.3% to Asia, 9.1% to North America and 11.1% to Western Europe.

Furthermore, the domestic economy slightly improved. The consumer price index rose 0.3% to 99.5 (2005=100), but decreased 0.9% over the year. The unemployment rate declined 0.1 point from previous month to 5.1% in August. The average of monthly consumption expenditures per household increased in August 1.7% in real terms from previous year.

## Deepening the relations between Japan and Switzerland

(Continued from page 1)



Trading exchanges between Switzerland and Japan  
Source: Japan's Ministry of Finance

The Free Trade and Economic Partnership Agreement provides that tariffs for more than 99% of the total trade in goods value between the two countries shall be eliminated within 10 years. It also set up frameworks for an origin declaration by an approved exporter for further expansion and facilitation of cross-border investments and for services trade. According to Ambassador Komatsu, the Agreement entered into force at the right time. "Turbulence in the world economy, generated by the recent international financial crisis, clearly demonstrated the importance for both countries to possess stable, while broadly open, "reliable" trade partners. Against this backdrop, one should say that the Agreement on Free Trade and Economic Partnership (FTEPA) between Japan and Switzerland entered into force, really at the right time, on 1 September 2009".

In addition, the Protocol amending the Convention



H.E. Mr. Komatsu,  
Ambassador of Japan  
in Switzerland

between Japan and Switzerland for the Avoidance of Double Taxation with respect to Taxes on Income was signed on May 21, 2010. "When this Amending Protocol enters into force, taxation on the investment income at the source will be lessened or exempted, and it is expected to contribute to the enhancement of economic activities between our two countries", explained Ambassador Komatsu.

The Memorandum on establishing a framework for intensified cooperation and a bilateral policy dia-

logue was signed on July 5, 2010. This agreement will contribute to strengthen the diplomatic cooperation between the two countries. "We share universal values such as freedom, democracy, market-oriented economy, respect for fundamental human rights and rule of law. Based on those shared values, Japan and Switzerland have a lot of common ground in respect of important agenda in the international arena", he argued.

Furthermore, the Agreement on Social Security was signed on October 22, 2010. "This agreement is expected to resolve, inter alia, the problem of double burden of joining the social security system of both the sending and receiving country, and to enhance, thereby, human and economic exchange between our two countries", Ambassador Komatsu claimed.

"I am firmly convinced that these efforts made by the two countries will further promote and deepen our partnership and develop our continuous friendship", he concluded.

## Swiss agricultural organization awarded by Japan

On behalf of the Minister of Foreign Affairs, H.E. Mr. Ichiro Komatsu, Ambassador of Japan in Switzerland, awarded on September 22, 2010 the Foreign Minister's Commendation to the Swiss agricultural organization

AGROIMPULS.

The Commendation is awarded to individuals and groups "to acknowledge their contribution to the promotion of friendly relations between Japan and other countries". This year, 58 individuals and 39

groups were awarded.

AGROIMPULS was awarded for its agricultural trainee exchange program between Japanese and Swiss farmers established since 1991.

## Japanese Mission and JETRO participation in WTO Open Day

Permanent Mission of Japan in Geneva and JETRO took part for the first time in the World Trade Organization (WTO) Open Day, which took place on September 19, 2010.

In his welcome speech, Pascal Lamy expressed the wish that the WTO Open Day would be an opportunity for discussions and exchanges. More than 3,000 people visited the WTO headquarters building. They had a chance to know more about international trade and WTO activities, to meet WTO staff and mem-



Japan booth at WTO Open Day

bers and to taste cuisine from around the world. 19 countries had a booth to present some of their food specialties.

Permanent Mission of Japan in Geneva and JETRO set up a booth to present some Japanese food specialties, such as home-made Yakitori (see picture) and bento.

Yakitori are meat or vegetable skewers served with salt or tare sauce. Originally made of several bite-sized pieces of chicken, they can now be prepared with pork, beef, seafood, fishes, and even tofu, onions and mushrooms.

Bento is a home-packed meal consisting of rice, meat or fish and cooked

vegetables. Usually presented in a box-shaped container, they constitute the lunch of a large number of Japanese people.

In addition, some Japanese alcoholic beverages were offered to visitors, such as sake, but also plum, blackcurrant, guaba (a fruit with a lemon-like fragrance) and pineapple liquors.

By the end of the day, more than 1,000 people visited the booth of Japan, including some local celebrities (see picture).



Some personalities visited the booth of Japan.

From left to right: Sandrine Salerno, Mayor of Geneva; H.E. Mr. Shinichi Kitajima, Ambassador extraordinary and plenipotentiary, Permanent Representative of Japan to the International Organizations in Geneva; Isabel Rochat, Head of the Geneva Cantonal Department for Security, Police and the Environment; Michiaki Watanabe, JETRO Geneva Director General.



Welcome speech of Pascal Lamy, WTO Director-General



Yakitori preparation

## JETRO workshop on Swiss legal system

JETRO organized the Japan Club of Geneva workshop on the Swiss legal system. Attended by about 20 people from Japanese companies, the workshop took place at JETRO Geneva office on September 17, 2010.

A presentation was made by Martin Herb, Attorney at Law. First, he presented the fundamental rules enshrined in the Swiss Constitution, federal and

cantonal institutions and the direct democracy system.

He then outlined the rules governing lawyer activities in Switzerland. He also provided some fundamentals about Swiss law. He emphasized the importance of the place of the jurisdiction stated in contracts and the role of EU legislation in Switzerland.

Following the presenta-

tion of Mr. Herb, participants had the opportunity to ask him questions.



Martin Herb Attorney at Law



Participants attending the JETRO workshop on Swiss legal system

## Nissan started the production of the Leaf electric car

Nissan Motor Co. Ltd. announced that production of the Leaf electric car has begun at its Oppama facility, located in Kanagawa, in the South of the Kyushu island. Nissan's Oppama factory will have a production capacity of 50,000 units per year.

Nissan already received more than 23,000 orders from around the world. The car will be sold from December in Japan and the United States and from early 2011 in some European countries.

The car will then be manufactured in some other



Nissan Leaf electric car

Nissan's factories located in Smyrna (Tennessee, United States) and Sunderland (United Kingdom).

The leaf car is a 100% electric car with a top speed of 140 km/h and a range of about 160 km. The Leaf will also feature IT-systems to locate power

chargers and to pre-warm the car before driving.

In addition, Nissan announced that the new Fuga Hybrid luxury sedan will be sold from November 2 in Japan.

This hybrid car has a fuel capacity of one liter for 19.0 km that is comparable to the fuel consumption of compact cars. Its fuel efficiency is also enhanced by the "Intelligent Dual Clutch Control" system, which connects directly the electric and engine motors to the transmission.

## Agenda

7-10<sup>th</sup> Nov.: JETRO booth (Sake, Japanese tea and other specialties) at Gastronomica Expo 2010 - professionals only. Lausanne, Beaulieu

10<sup>th</sup> Nov.: JSFTEPA (Japan - Switzerland Free Trade and Economic Partnership Agreement) business seminar with SJCC  
Credit Suisse Forum St. Peter, Zurich

11<sup>th</sup> Nov.: JSFTEPA business seminar with the "Centre Patronal", in Lausanne

27<sup>th</sup> Jan. 2011: Japan Night in Davos

*JETRO is a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world. Originally established in 1958 to promote Japanese exports abroad, JETRO's core focus in the 21st century has shifted toward promoting foreign direct investment into Japan and helping small to medium size Japanese firms maximize their global export potential.*

The JETRO Geneva Newsletter can also be viewed and/or downloaded online:  
<http://www.jetro.go.jp/switzerland/newsletter>

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