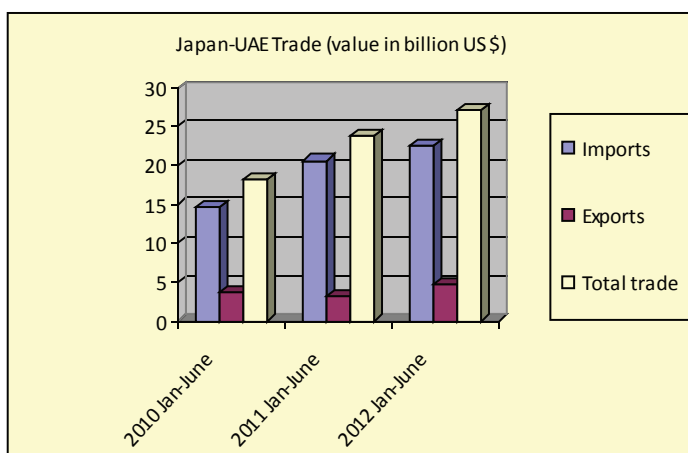


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Japan – UAE trade grew 14.5% during the 1st half of 2012:

The value of Japan's bilateral trade with the United Arab Emirates increased by 14.5% to US \$ 27.2 billion during the first six months of 2012. In addition to the effects of increased price of crude oils, a 71% increase in Japan's exports of motor vehicles, 37% increase in general machinery exports and 97% increase in iron and steel products exports to the UAE have also played a considerable role in the increase in trade value. Price of crude oils rose by 11.8% during the first six months of 2012 compared to the same period in 2011. The average price of crude oils during the first half of 2012



was US \$ 119.4 per barrel compared to US \$ 106.88 during the same period in 2011. The volume of crude oil imports, at the same time, has declined 3.2% to 145.9 million barrels, compared to 150.8 million barrels during the first half of 2011.

46% increase in Japan's exports to the UAE

Japan's exports to the UAE grew by 45.9% during the first six months of 2012, driven by surge in automobile, machinery and iron and steel exports. Motor vehicle exports, that jumped 71.1% during this period, formed 48.2% of Japan's total exports to the UAE, with a

value of US \$ 2,228.00 million. Japan had reached a record US \$ 2,245.50 million export of motor vehicles to the UAE during the first half of 2008 (45.4% of the total exports to the UAE), which still remains unbroken. However, the global financial crisis brought Japan's motor vehicle exports to the UAE down to US \$ 746.76 million during the first half of 2009 (24.4% of the total exports), but raised to US \$ 1,619.10 million during the first half of 2010 (45.3% of the total exports). The evident recovery in 2010 was again curtailed in 2011 due to the Great East Japan Earthquake and the tsunami in March that year, which brought the export down again to US \$ 1,302.40 million during the first six months of 2011. Now, as the financial crisis is almost over and the production facilities in the North East Japan are returning to its previous positions, Japan's Motor vehicle exports to the UAE is closing in on the record that was registered in 2008.

Export of passenger cars, covering 66.7% of the motor vehicle exports to the UAE, rose by 78.3%, with a value of US \$ 1,486.4 million. Nearly 68% of the passenger motor cars exported to the UAE belonged to higher capacity cars having 3000 cc or above. Export of this category of cars grew by 102.8% to US \$ 1,009.9 million, compared to US \$ 498 million during the first half of 2011. UAE was the 6th largest export market for Japan for passenger motor cars. USA, Russia, Australia, China and Canada were the other major markets in the order of export value.

A major increase was also witnessed in the export of motor trucks, which, more than doubled the value to US \$ 372.0 million during January – June 2012 from US \$ 185 million during the same period in 2011. Export of public transport vehicles has also increased by 116.5% to US \$ 125.8 million.

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Japan's Motor Vehicle Exports: (value in million US \$)

Particulars	2008 (Jan-Jun)	2009 (Jan-Jun)	2010 (Jan-Jun)	2011 (Jan-Jun)	2012 (Jan-Jun)
Motor Vehicles	2,245.50	746.76	1,619.10	1,302.40	2,228.13
Passenger Cars	1,620.43	397.13	1,130.59	833.82	1,486.44

Source: Japan Customs, Compiled by World Trade Atlas

Export of general machinery to the UAE grew by 37% to US \$ 853.8 million during the period under review, compared to US \$ 623.4 million during the same period in 2011. A 400% increase in export was recorded for air or vacuum pumps to US \$ 93.7 million from just US \$ 18.7 million in the previous first half. Export of self-propelled bulldozers, angle-dozers or graders rose by 45% to US \$ 134.0 million from US \$ 92.5 million. There had been a big jump in the export of machines and mechanical appliances, bringing the value to US \$ 32.2 million from just US \$ 2.0 million in the previous first half. Similarly, exports of machinery for working with plastics or rubber registered a major increase from less than a million US dollars during the first six months of 2011 to US \$ 30 million during the first half of 2012. Similar increases have also been registered for the exports of steam boilers and gas turbines.

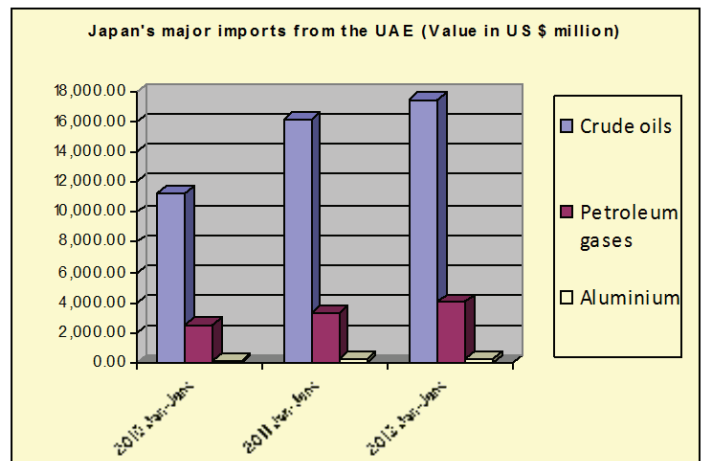
Export of Iron & Steel products to the UAE almost doubled during the first half of 2012 to US \$ 366.0 million, from US \$ 185.5 million during the same period in the previous year. Among iron and steel products, export of tubes and pipes scored the highest increase, i.e, from US \$ 162.4 million to US \$ 349.1 million when comparing the two first halves of 2011 and 2012. At the same time, export of iron and steel materials registered an increase of 21.7% to US \$ 113.3 million, with the flat rolled iron or steel registering a 60% increase in exports.

Export of Electrical machinery as a whole scored an increase of 7.8% to US \$ 300.5 million from US \$ 278.9 million. Major among the electrical machinery that showed increase in exports were transmission apparatus for radio telephony (+ 11% to US \$ 73.6 million) and the insulated cables and wires (+ 23.4% to US \$ 47.4 million) and electrical ignition machinery (+48.8% to US \$ 34.9 million)

Export of tyres rose by 15.9% to US\$ 240 million during January-June 2012, compared to US\$ 207.2 million during January-June 2011. UAE was the 4th largest export market for new tyres for Japan after USA, Australia and Russia during the first half of 2012.

Japan's imports from the UAE grew 9.7%

The value of Japan's imports from the UAE increased by 9.7% to US \$ 22.61 billion during the first six months of 2012, compared to US \$ 20.61 billion during in the same period in 2011. 98.4% of imports from the UAE were consisted of mineral fuels that include crude oils and other gaseous hydrocarbons. Out of the remaining 1.6% imports, 1.3% was comprised of aluminium, the 2nd largest export item of UAE. Other items in small quantities include copper scraps, precious stones and metals and live animals. The value of crude oil imports alone covered 78.3% of the total imports from the UAE, which showed an 8.1% increase in value during the first half of 2012.



Japan imported a total of 146 million barrels of crude oils with a value of US \$ 17.43 billion during the first six months of 2011. The volume of crude oil import was down 3.2%, compared to the volume during the first half of 2011. The average price of crude oils surged 11.8% to US \$ 119.44 per barrel, compared to US \$ 106.88 per barrel during the same period in the previous year. UAE remained to be the 2nd largest supplier of crude oils to Japan during the first six months of 2012, covering a supply of 21.4% of Japan's total crude oil imports. Saudi Arabia remained the top supplier of crude oils, with a 32.7% share. Other major suppliers of crude oils to Japan were Qatar (10.3%), Kuwait (7.4%), Iran (6.1%), Russia (4.4%), Indonesia (3.8%) and the Sultanate of Oman (3.0%). There were as many as 16 other suppliers with smaller quantities, including Gabon, Iraq, and Australia.

The value of import of petroleum gases from the UAE rose by 22.3% to US \$ 4.1 billion, with a 2.4% increase in the volume of import. The average price of petroleum gases increased 19.4% to US \$ 940 per Metric Tonne from US \$ 787.4 per Metric Tonne during the previous first half. UAE was the 4th largest supplier of petroleum gases to Japan after Qatar, Malaysia and Australia. Gas import from Qatar rose significantly during the first half of 2012 to exceed supplies from major suppliers like Malaysia and Australia. The different kinds of petroleum gases that Japan imported from the UAE include Liquefied Natural Gas, Liquefied Propane and Liquefied Butanes.

Japan's Aluminium imports from major suppliers (value in US \$ million)

Country	2008 (Jan-Jun)	2009 (Jan-Jun)	2010 (Jan-Jun)	2011 (Jan-Jun)	2012 (Jan-Jun)
China	641.4	311.0	615.5	874.1	851.4
Australia	884.0	302.9	755.7	706.4	643.1
Russia	1,004.8	255.5	522.5	563.4	551.5
UAE	179.9	33.2	141.9	253.6	294.6
Brazil	272.0	163.0	240.1	312.9	244.8
USA	315.4	157.5	160.3	198.0	236.2
New Zealand	301.0	83.9	250.3	277.1	228.0
Indonesia	229.5	119.0	174.7	195.4	179.1
South Africa	304.5	99.8	248.2	220.6	142.7
South Korea	237.9	97.2	123.3	129.7	142.4
World total	5,436.1	2,094.2	3,996.4	4,500.3	4,132.3

Source: Japan Customs, Compiled by World Trade Atlas

Beside Oil & gas, Japan's major import from the UAE is aluminium in different forms. UAE has been a traditional source of semi-finished aluminium for Japan, and during the first 6 months of 2012, Japan imported aluminium worth US \$ 294.59 million from the UAE, 16.2% higher in value compared to the value during the same period in the previous year. In terms of quantity, Japan imported 125.6 million Kg of aluminium during the first half of 2012, which was 32.5% higher compared to the quantity imported during the first half of

2011. However, the average price of aluminium declined by nearly 12% to US \$ 2.35 per Kg from US \$ 2.67 per Kg in the previous first half. UAE became the 4th largest supplier of the aluminium to Japan during this period, overtaking suppliers like Brazil and New Zealand, who were ahead of UAE in the previous year. The other three top exporters of aluminium to Japan were Australia, Russia and China.

In addition to aluminium, Japan's imports from the UAE included small quantities of copper waste & scrap, precious stones and metals, live animals, fish and seafood etc. Significant among them was the increase in the export of copper waste that rose by 68.2% to US \$ 14.8 million, compared to US \$ 8.8 million in the first half of 2011. Export of fish, though was limited to nearly a million US dollars only, saw a big jump compared to the previous year's first half, when it was almost nil, and nearly 0.2 million US dollars during the first half of 2010. Similar increase was also posted in the export of live animals, mostly horses, to US \$ 4.4 million from almost nil during the first halves of the previous two years.

JETRO promotes trade through Invitation Programs:

Targeting different segments in the market, JETRO has introduced "JETRO Invitation Programs" to buyers worldwide so as to enable them to visit Japan to meet with Japanese manufacturers and suppliers.

The first invitation programs was targeted at the Women Fashion Industry, where, JETRO invited three companies from the region - two from Saudi Arabia and one from Dubai - to Japan and facilitated for their business matching meetings, arranged visits to commercial facilities and a Japanese premier fashion and design show, "rooms 25" that was held in Tokyo between 11th and 13th September 2012. The Invitation Program was from 9th to 14th September 2012, in which the invitee from Dubai - a representative of Sauce International Trading LLC (S*uce) could conduct market research at various commercial centres on the 2nd day and also held several Business Matching Meetings with fashion industry leaders at the 'rooms 25' on the following day. On the 3rd day, the delegate from the region held Business Matching Meetings with fashion dealers at the JETRO. The other 2 delegates from the region were representing Harvey Nichols, Riyadh and Rubaiyat Fashions of Jeddah. On 13th, JETRO organized a seminar on "Women's Market in the Middle East" at the JETRO Tokyo Exhibition Hall, in which, the representative from Harvey Nichols gave the Key-note address. A delegate from 'Sisters Beauty Lounge' of Dubai who was on a similar invitation program for the 'beauty products segment' during this period had also attended the seminar as a panellist.

The second invitation program was targeted at the beauty products segment, in which JETRO invited three business persons, representing, 'Sisters Beauty Lounge' of Dubai, 'Madawi Al Wafaa Company' of Saudi Arabia and 'Selen Kozmetic' of Turkey. The delegate from Dubai, arriving Tokyo on 10th September, held several Business Matching Meetings at the "Diet & Beauty Fair Asia", where she had business matching meetings with 10 Japanese cosmetic companies from Tokyo, Hiroshima and Kochi on the following day. The delegate moved to Nagoya on the next day and visited several cosmetic companies, beauty salons and related research centres there, and also held business matching meetings at

JETRO Nagoya, in which 6 companies took part. Moving back to Tokyo on 13th September, the delegate made market tours in commercial areas and attended the seminar on "Women's Market in the Middle East" organized by the fashion and the beauty segment teams at the JETRO Exhibition Hall in Tokyo.

Invitation to Tokyo Game Show – 20 & 21 Sept. 2012:

JETRO Invited 8 business men from the entertainment industry for Business Matching Meetings in Japan during the Tokyo Game Show (TGS) held between 20th and 21st September 2012. Out of the 8 invitees, 2 were from Dubai - one from Game Power 7 and the other from Tahadi Games Media. Other delegates were mostly from USA and Canada. The delegates held business matching meetings with a number of entertainment companies in Japan. Mr. Howard Lee, representing Tahadi Games, gave a presentation about the game industry in the MENA and Turkey, "Understanding the Opportunity - Online and Mobile" at the Tokyo Game Show.

JETRO WORLD FOOD MARKET in FOODEX JAPAN 2013:

JETRO will have a major presence at the forthcoming FOODEX Japan in Tokyo between 5th and 8th March 2013. As usual, JETRO will have the JETRO Zone Pavilion with 66 booths, including 56 booths reserved for companies from developing economies to enter the Japanese market. The JETRO zone will welcome 56 companies who want to introduce their products in person. Large part of the participation fee will be borne by JETRO. In addition to the rebate in fees, interpreters on sharing basis for business negotiations (one interpreter per two booths), individual consultation with experts in the Japanese food market, access to the business centre and the kitchen in JETRO Zone and publicity and promotion of JETRO Zone are also included as incentives to participants at the JETRO Zone. Though expenses towards travel and accommodation are to be borne by the participants, transportation costs for participants from African countries will be subsidised by JETRO.

As per the terms and conditions, a participant in JETRO Zone at the FOODEX must be a food and beverage manufacturer or exporter. The company must be from a developing country listed in the DAC list of official development assistance recipients, which do not have a national pavilion in FOODEX. Also, the exhibitors in the JETRO Zone must not already have sole agencies in Japan.

For more information on JETRO zone at the FOODEX, please contact the nearest JETRO office or visit <http://www.jetro.go.jp/en/foodex2013/>



UAE's Etihad Airways to launch daily flights to Tokyo:

Etihad Airways, one of the national carriers of UAE will launch daily direct flights to Tokyo from Abu Dhabi starting April 2013, according to media reports in the UAE. The airline had started flights to Nagoya via China from Abu Dhabi in Feb. 2010 and direct flights to Tokyo, in March 2010, with a frequency of 5 flights a week. Direct daily flights between the two capitals are expected to enhance the trade between Abu Dhabi and Japan and also help boost the tourism industry in both the countries. According to the International Air Transport Association (IATA), aviation industry contributes more than Dh. 145 billion (US \$ 39.4 billion) to the UAE Economy, or 14.7% of GDP. UAE and Japan, being major partners in world trade and oil security, the power of connectivity will prove strategic in the bilateral relation between the two countries.

According to reports, the Tokyo flights will be operated by a two-class Airbus A330-200 aircraft, configured with 22 Pearl Business class and 240 Coral Economy class seats.

Emirates Airlines, another national carrier of the UAE, which had started direct flights between Dubai and Osaka in the year 2002 with a frequency of five flights a week, had also launched its daily flights to Tokyo from November 2011.

UAE lifts ban on foodstuff shipment from Japan:

According to the decision of the UAE Ministry of Environment and Water, the ban on food shipments from Japan's 15 prefectures was lifted with effect from July 2012 with the condition that shipments should accompany officially approved certificates stating that they do not contain radioactive contaminants exceeding permissible limits. Shipments from the 15 prefectures, namely, Fukushima, Gunma, Ibaraki, Tochigi, Miyagi, Yamagata, Niigata, Shizuoka, Akita, Iwate, Nagano, Yamanashi, Saitama, Tokyo and Chiba were earlier banned due to fear of nuclear contamination from the damaged Fukushima nuclear plant.

Topics of Japanese Economy and Industry

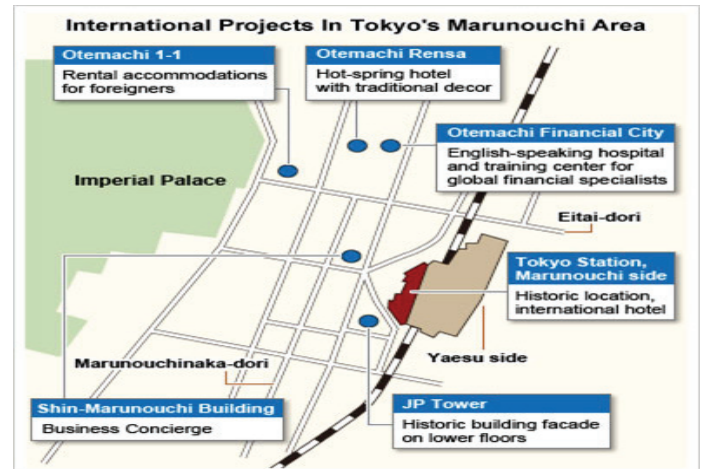
Marunouchi district to welcome foreign firms

The reopening of Tokyo Station on 1st October 2012, following a period of extensive renovations, is expected to breathe new life into Tokyo's Marunouchi business district, which serves as an international gateway to Japan, as it offers easy access to Haneda Airport.

Mitsubishi Estate's Business Concierge Tokyo facility is designed to encourage foreign firms to open offices in the Marunouchi district. Mitsubishi Estate Co. owns and operates roughly one-third of the office buildings in the area. On Oct. 1, it opened its Business Concierge Tokyo office to attract foreign firms to the Marunouchi district.

As a support facility for foreign firms, Business Concierge Tokyo is part of a Tokyo Metropolitan Government project on the 10th floor of the Shin-Marunouchi Building, across the street from the revamped station building. Its full-time, English-speaking staff will help foreign firms expand in Marunouchi and greater Tokyo, while helping them to set up Japanese subsidiaries and build local sales channels.

The opening of the revamped station building would make Marunouchi more convenient and functional for business than ever before. The luxurious Tokyo Station Hotel, part of the East Japan Railway Co. Group, is able to receive state guests, as well as executives. Its top rooms cost more than 800,000 yen (around 10,000 US \$) per night.



Foreigner-Friendly Facilities

Tenants of Otemachi Financial City, a twin-tower complex run by Mitsubishi Estate and other firms that is set to open this autumn, will include a training center for international finance specialists and a hospital with English-speaking staff members. Another Otemachi redevelopment project will offer luxury accommodations for foreigners on extended stays.

The Marunouchi area spans roughly 120 hectares and about 4,200 offices throughout approximately 100 buildings. Roughly 10% of this space is occupied by foreign firms, including companies such as China's Huawei Technologies Co., the world's second-largest telecoms equipment manufacturer.

The Tokyo authorities hope to make the Marunouchi district even more international in the years to come. The Tokyo Metropolitan Government runs an office that is specifically designed to encourage firms throughout Asia to open offices and R&D facilities in the area.

The Tokyo Station revamp is also helping to revive the Yaesu district, on the other side of the JR Yamanote Line tracks. Daimaru Tokyo, an outlet of Daimaru Matsuzakaya Department Stores Co., will reopen its Yaesu store with 40% more floor space on Oct. 5. At Tokyo Station's Yaesu exit, East Japan Railway, or JR East, is building GranRoof, a commercial complex with a pedestrian walkway.

Nearby, in the area between Nihonbashi and Kyobashi, a number of property developers are working on new buildings. Mitsui Fudosan Co. has several ongoing development projects in Nihonbashi, while Sumitomo Realty & Development Co. is building a commercial-complex tower in the area. In the Kyobashi district, Tokyo Tatemono Co. plans to complete a large building in 2013, while Mori Trust Co. is building a commercial complex in the area.

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JETRO TPP website redesigned:

Trade Tie-up Promotion Program (TPPP), the international business matching site of JETRO has been redesigned to make it easy to use. Following are the main changes in layout:

1. Increased width of the website – the extension in the width of the website is to address recent changes in PC display size. The layout has been changed to make contents more accessible and various functions easier to use. However, no substantial changes have been made in the contents.
2. Change in the design on the top page – A search function has been added in the left frame on the top page to find proposal information more easily. The new 'User Guide' menu provides information about how to register, search proposals and use each of the other functions. After log-in, menus will be available under specific categories in the right frame on the top page and in the left frame on the other pages, enabling viewers to access pages and functions directly and quickly.
3. You can reset search criteria easily – A search box is now available at the top of the search results to reset search criteria. With this box you can change or narrow down your search criteria easily and quickly.
4. Upper limit for visuals in proposal information raised from two to five. Now you can upload a maximum of five visuals related to your business proposal.

For more information on TPPP website usage, please log on to <http://www.jetro.go.jp/tppoas/index.html> or e-mail tppp@jetro.go.jp or contact your nearest JETRO office.

JETRO takes initiatives to expand Japan's exports of agricultural, forestry and fishery products and food:

In the backdrop of a more than 10% fall in Japan's export of agricultural, forestry and fishery products and food in 2011, due to such factors as tougher import restrictions by importing countries following the nuclear power plant accident in Fukushima, and the historic appreciation of the Japanese Yen, JETRO established a task force headquarters to promote Japan's export of these goods early in 2012 and is making efforts to promote exports in this sector across its organization at home and abroad while cooperating with relevant government ministries and agencies.

JETRO opened 'inquiry counters' where even beginners in the export business can readily seek advice at the Tokyo and Osaka Headquarter as well as 36 domestic offices. By the end of May 2012, JETRO received 1,379 enquiries. JETRO also sponsored a total of 27 'export introduction seminars' across Japan, with the participation of around 1000 people from agriculture, forestry and fishery sectors.

JETRO doubled the participation in international trade fairs and increased considerably the number of meetings for business talks held by inviting influential overseas buyers. In fiscal year 2012 a total of 39 meetings with over 200 buyers were planned. JETRO also increased the number of overseas coordinators who provide local information and support business talks, and substantially increased

the number of experts who provide support for efforts to find promising candidates for exports.

Six products such as fisheries products (processed), livestock products (meat/dairy), rice, fruits and vegetables, sake (rice wine) 'shochu' (distilled spirits) and Japanese green tea were selected as priority products for the promotion of exports. JETRO held meetings for business talks with invited buyers and sent missions for business talks overseas for categories like sake, shochu and Japanese green tea, and for all six categories, JETRO will gather basic information (systems, distribution and market information etc) and determine the direction of dealing with potential problems.

In addition to the above steps, JETRO conducts large-scale "consumption trend surveys" in overseas markets, including emerging economies, in order to provide information to a broad range of business operations.

JETRO has also submitted proposals to relevant government ministries on making continuous efforts to urge other countries/regions towards the early removal of import restrictions related to nuclear plant accident, measures to deal with food safety restrictions by individual countries, promotion of talks on the quarantine of animals and plants, development of a system for intellectual property protection and strategic responses to logistics.

In a questionnaire survey conducted by JETRO in late last year on a total of 227 firms engaged (or interested) in exports of agricultural, forestry and fisheries products and food, a little less than 90% of them answered "they felt the negative impact of the nuclear plant accident" and over 80% said "the yen's appreciation brought a negative impact on exports." On future export plans, meanwhile over 90% of the surveyed firms replied that they will "continue with exports going forward", showing their strong appetite for the development of overseas markets even under severe environment.

JETRO Whitepaper on Global Trade and Investment 2012 published

In August 2012 JETRO published a report on Global Trade and Investment. To view the report, please visit:

http://www.jetro.go.jp/en/reports/white_paper/trade_invest_2012_outline_rev3.pdf



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