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JETRO sets up Japan Pavilion at World Future Energy Summit 2008 in Abu Dhabi

JETRO will lead a team of major Japanese companies at the forthcoming World Future Energy Summit in Abu Dhabi. The summit, calling for finding solutions to energy security, climate change and sustainable human development, will be held at the Abu Dhabi National Exhibition Centre, between 21st and 23rd January 2008, under the auspice of the Government of Abu Dhabi. The summit is comprised of two sections, namely conference and exhibition. The Japan Pavilion will be set up in the exhibition's section.

This event, the first of its kind in the UAE, held under the patronage of H.H. General Sheikh Mohammad bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of the UAE Armed Forces, is organized in partnership with the Abu Dhabi Future Energy Company, MASDAR. In April 2006, Abu Dhabi launched MASDAR, a global cooperative platform for open engagement in the search for solutions to some of mankind's most pressing issues related to energy and climate change.

Hundreds of companies from all over the world, who are specialized in Solar Power, Photovoltaic, Concentrating PV, CO2 Capture and Storage, Sustainable Desalination, Waste to Energy, Bio-fuels, Hydrogen and Fuel Cells, Wind (onshore & offshore), Energy Efficiency in Buildings, Energy Efficiency in Industry, Green Construction, Marine (wave and tidal) and Clean Combustion etc. are slated to be present at the summit to showcase their technologies and innovations.

Major players from Japan

Many major companies and organizations from Japan, in the field of developing technologies for alternative or renewable energy are participating in the exhibition.

The companies in the Japanese Pavilion will display state of the art energy-saving and environment-friendly green technologies related to architecture, engineering, industrial systems, power generation, household electronics and agriculture.

In addition to the Japanese Pavilion, there will be some other major Japanese companies participating in the exhibition, such as, Mitsubishi Corporation, Mitsui Corporation, Cosmo Oil etc.

ELIICA - the electric car, on display

Besides the above-listed companies, the Japanese pavilion will have a Theme Corner and an Information Centre. A major attraction in the Theme Corner will be ELIICA, the next generation electric vehicle, which the Keio University of Japan

has developed. The car powered by lithium-ion batteries can attain a maximum speed of 370km/h, and the acceleration time is 4.1 seconds from 0 km/h to 100 km/h. We invite all visitors to the exhibition to come to the Japanese pavilion and experience this novel Japanese technology.

Companies within the Japanese Pavilion

Japan Oil, Gas and Metals National Corporation (JOGMEC)

INPEX Holdings Inc. /INPEX Group JODCO

Japan Cooperation Center for the Middle East (JCCME)

Nikken /Kume Sekkei Co., Ltd.

Panasonic Marketing Middle East FZE

Sharp Middle East FZE

JGC Corporation

Daikin Europe N.V. Middle East Office

Mebiol Inc.



Japan leads the world in solar power generation

Government incentive programs for the promotion of alternative energy development have gone a long way in the last decade in positioning Japan as the world leader in production and installation of solar cells. Japan has been in the forefront of world nations in their drive in finding solutions to the energy problem through innovations to diversify the production of renewable energy through the use of domestic resources such as solar power, wind power, tidal energy, biomass from carbonaceous waste and small sized hydro-electric projects etc. The concept of 'Cool City Project' has been developed in Japan, so that conservation in the use of precious energy can be attained. Japan is the number one producer of solar power in the world, and in the year 2004, Japan had generated 1,130 MW of solar electric power, equal to 43.6% of the world's total solar power production.

Meanwhile, the G-8 summit slated to be held at Hokkaido, Japan in July 2008 will give considerable importance to environment and climate and Japan is expected to take a lead roll in initiating new strategies to contain and control the greenhouse gas emissions threatening the very existence of humanity.

Published by JETRO Dubai

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H.H. General Sheikh Mohammed bin Zayed Al Nahyan's visit to Japan boosts UAE - Japan Economic Ties

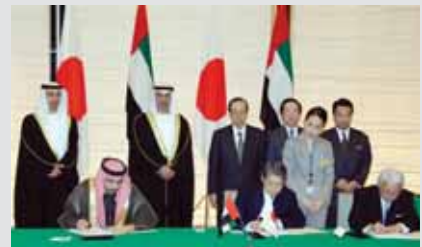
The recent visit of H.H. General Sheikh Mohammed bin Zayed Al Nahyan, the Crown Prince of Abu Dhabi and Deputy Supreme Commander of UAE Armed forces to Japan and the signing of a number of economic pacts have boosted the already cordial relations between the UAE and Japan. General Sheikh Mohammed met H.M. Emperor Akihito and Prime Minister H.E. Yasuo Fukuda.

Economic Pacts

Japan and the UAE have signed six agreements and memorandum of Understanding (MoU) including a US \$ 3 billion financing to Abu Dhabi National Oil Company (Adnoc), and a deal between UAE's Abu Dhabi International Petroleum Investment Company (IPIC) and Cosmo Oil Company of Japan, through which the former becomes a partner in the later. During the meeting with General Sheikh Mohammed, Prime Minister Fukuda lauded the distinguished political, economic and commercial ties between the UAE and Japan, which have witnessed great progress during the last few years. He said that Japan's relation with the UAE in the field of energy is the base of bilateral relations and was greatly important. The Prime Minister also said that Japan

was ready to transfer energy-saving technology to the Arab State and provide support for the country's effort to improve its education system. General Sheikh Mohammed said that relations with Japan are regarded highly, and the flourishing bonds between the two countries stress the deep relations and reflect the bilateral interests binding the two countries.

Under various agreements signed, the two countries will strengthen their partnership in the fields of energy and also jointly boost support for small businesses and speed up talks on legal arrangements to avoid dual taxation. Among the bilateral deals signed, one major deal was on environment, that is, to develop a Power Generation System jointly by Japan's Cosmo Oil Company and Abu Dhabi's Future Energy Company, MASDAR.



2008 Economic Outlook for East Asia

This economic outlook aims to faithfully reflect both theory and reality, by using a "macro-econometric model" - a method of analysis that maintains consistency with both economic and statistical theory - as well as links with JETRO's Institute of Developing Economies country specialists, who observe the current affairs of the economies they focus on, and also overseas local research institutes in the economies surveyed.

The East Asian Economies in 2007

The Chinese economy is predicted to grow by 11.5%, accelerating from 2006, led by continued solid investment and exports. The inflation rate of general prices is predicted to be 3.4%.

The Asian NIEs have shown a general tendency for slow-growing external demand to give way to domestic demand as the support for the economy. The combined growth rate of the four NIEs as a whole in 2007 is predicted to be 5.4%, a rate 0.1 percentage point lower than in 2006. The combined inflation rate of general prices is predicted to be 1.4%.

Among the ASEAN 5, the Indonesian economy has been buoyed by a recovery of investment, and the economy of Thailand has been influenced by the stagnation of domestic private demand caused by the chaotic political situation. The

economies of Malaysia and the Philippines have been underpinned by domestic demand, while the Vietnamese economy has been fueled by the expansion of the industrial and service sectors. The combined growth rate of the ASEAN 5 as a whole in 2007 is predicted to be 6.0%, a rate 0.4 percentage point higher than in 2006. The combined inflation rate of general prices for the ASEAN 5 is predicted to be 5.0%.

Boosted by the accelerating growth in the Chinese economy and ASEAN 5, the East Asian economy as a whole in 2007 is predicted to accelerate to 8.7%. The combined inflation rate of general prices for the East Asian economy as a whole is predicted to be 3.1%.

Economic Forecasts for East Asia in 2008

The Chinese economy, led by domestic demand, is forecast to grow by 10.6% in 2008, posting a double-digit rate for the sixth consecutive year. The inflation rate of general prices for the year is forecast to be stable at 3.2%.

Among the Asian NIEs in 2008, Singapore's exports will pick up. The other three economies will see slowing expansions of external demand, caused by the slowing growth of the advanced economies and the Chinese economy, and will be underpinned by domestic demand. The combined

growth rate of the Asian NIEs as a whole in 2008 is forecast to be 5.0%, a rate 0.4 percentage point lower than in 2007.

Among the ASEAN 5, the economies of Thailand and Malaysia are forecast to develop steady domestic demand. The Indonesian economy is forecast to enjoy thriving expansions of both domestic and external demand. The Philippine economy will see slowing growth of domestic and external demand. The Vietnamese economy is forecast to accelerate further in 2008. The combined growth rate of the ASEAN 5 as a whole in 2008 is forecast to be a stable 6.1%. Their combined inflation rate of general prices in 2008 is forecast to be 5.0%, unchanged from the 2007 rate.

The East Asian economy as a whole in 2008 is forecast to continue posting a brisk growth rate of 8.2%, though at a slower rate than the 8.7% registered in 2007. The combined inflation rate of the East Asian economy as a whole in 2008 is forecast to remain stable at 3.2%.

Full report is available for free download on the JETRO website at www.ide.go.jp/English/Press/2008_index.html

Japan - an attractive market for foreign-capital hotels:

Overseas luxury hotels have been opening their doors in Tokyo in growing numbers in recent years, as urban redevelopment projects and more foreign visitors to Japan make the market increasingly lucrative. This article describes the circumstances behind foreign-capital hotels' entry into the Japanese market, how they position Japan in their global strategy, and their brand strategy and personnel management approaches.

Tokyo redevelopment boom provides impetus

The first in the new wave of major foreign-capital hotels in Tokyo was the Four Seasons Tokyo at Marunouchi. Other "name" hotels soon followed: The Conrad and the Mandarin Oriental in 2005, and The Ritz-Carlton and The Peninsula in 2007. The Shangri-La Hotel, scheduled to open in 2009. The very first foreign-capital hotel to establish a beachhead in Japan was the Tokyo Hilton Hotel, which opened in 1963. This hotel later became the Capitol Tokyu Hotel, which ceased operation in 2006. But few other foreign-capital hotels ventured to Japan in the intervening years. One reason for all the newcomers in the past few years is the relaxation of building regulations in Tokyo. Office buildings can now house hotel rooms and residential premises, making it possible to pack more commercial floor space into the same land area.

Risk sharing is a vital element

Many foreign-capital hotels in Japan are hired as operators and managers of the hotel property by the owner of the land and building. This method is advantageous for new operators because compared to buying land and putting up a building, it reduces up-front investment costs. In the past, contracts called for a fixed percentage of total sales and gross operating profits to go to operators, at absolutely no risk to them. But that kind of contract is a big risk for owners, because they have little idea of how much return they can expect on their investment. In today's lively Tokyo hotel market, however, operators are now confident about entering into leasing agreements, and owner and operator share the risk." Leasing is advantageous to operators, because it gives them sufficient control over decision-making in running the hotel and they can also boost revenue. Another risk-sharing method is to combine the advantages to both parties of a management contract favourable to the operator and of a lease contract favourable to the owner.

More visitors to Japan = higher demand for hotel rooms

With these richer opportunities for foreign luxury brand hotels to establish a presence in Tokyo, the number of rooms in those hotels is expected to increase by 1,700 between

2002 and 2009. The hotel industry, however, forecasts that demand for hotels in Tokyo will still outstrip supply. According to the Ministry of Health, Labour and Welfare's Case Report of Sanitation Administration 2005, in 1965 there were 258 hotels in the country, with 24,169 rooms, compared to 8,990 hotels, with 698,378 rooms, in 2005. The number of foreign visitors to Japan also grew dramatically over the same period, from 366,659 to 6,727,926 (figures from the Japan National Tourist Organization). Even greater numbers of travellers from abroad are expected. In 2010, the total number of travellers worldwide is forecast to exceed 1 billion, of whom 50 million are probably interested in visiting Japan. For the time being, 10 million people are expected to visit Japan steadily by 2010, but industry hopes that the number of visitors to Japan will rise dramatically in the following decade.



JETRO White Paper –2007

JETRO publishes an annual White Paper on International Trade and Foreign Direct Investment (FDI). The paper includes JETRO's estimates for world trade and FDI figures, as well as in-depth analysis of the world economy and Japan's place in it. Previous white papers have focused on such issues as intellectual property rights, the impact of FTAs, overseas operations of Japanese firms as well as the state of foreign direct investment in Japan. The paper is first published in Japanese and

later translated into English.

The 2007 white paper analyses the world economy and key regional trade and foreign direct investment trends in 2006, and suggests strategies for Japanese firms against the backdrop of increasing consumer demand in developing countries in line with a growing middle class. Utilization of free trade agreements (FTAs) and economic partnership agreements (EPAs) is also dealt with in this year's report. Full report is now available for free download on the JETRO website at www.jetro.go.jp/en/stats/white_paper

Topics on Economy, Business and New Technology

Cabinet approves slightly higher budget for 2008

Marking the 2nd straight yearly increase in outlay, the Japanese cabinet approved a ¥ 83.06 trillion (US \$ 728 billion) for fiscal 2008. This outlay is 0.2% higher than the outlay for the current fiscal year. The Japanese parliament will have to clear the cabinet proposal before it will become effective. The budget allocates more money for social security, taking into consideration of an aging population, while defense expenditure is cut by 0.5 per cent. Cuts are also made in the fields of public works project spending and developmental aids to overseas countries.

Japan's direct inflow soars

According to the Japanese Ministry of Finance, the country's net capital inflow from overseas hit record high in January-July 2007. In the seven-month period, capital inflow surged to ¥4.6 trillion, while capital outflow reached ¥2.28 trillion. The net inflow figure was the largest for a January-July period since the MOF adopted its current calculation method in 1996, easily surpassing the annual record of ¥1.45 trillion set in 1999. The huge net inflow for the term was largely due to a growing number of western companies acquiring Japanese firms that are well established in the domestic market place. In addition, to boosting their global competitiveness, more Japanese companies have entered into strategic business or capital tie-ups with foreign firms. Some Japanese companies also sold their affiliates to foreign companies as part of restructuring their ailing business, while others sought financial support from overseas investors. The Government wants to lure more foreign investment, setting a target of lifting the ratio of the outstanding direct investment balance to gross domestic product to 5% in 2010 – roughly double that was seen at the end of 2006.

Translation software for mobile phones

NEC Corp of Japan has announced the development of automatic translation software for mobile phones, which can provide Japanese to English translations of phrases useful for travel. The company tested the software on its "SIMPURE N1" mobile phone, which was released from NTT DoCoMo Inc in 2006, and confirmed its successful operation, NEC said. For processing, the software does not require a server or any other external devices but only a processor for mobile phones. If a Japanese phrase is spoken into the handset, the text of the phrase will be displayed on the screen using voice recognition. It takes about one second for a voice recognition result to be displayed after the phrase is spoken. Then, if translation is commanded, the text will be translated into English and displayed in about one second.

Major Trade Fairs in Japan

For more details on each exhibition, please surf the following website
<http://www.jetro.go.jp/en/matching/jj-messe>

May 3-5:

- Monster Viva, General Exhibition, Osaka Tour Expo 2008, Osaka

May 7-9:

- Drug Discovery & Development of Innovative Therapeutics Japan, Tokyo

May 13-14:

- Wireless Technology Park 2008, Yokohama

May 14-15

- The 10th Tokyo shoe Fair, Tokyo

May 14-16:

- 11th ESEC: embedded Systems Expo & Conference, Tokyo

May 14-17:

- DMTS2008, Nagoya

May 15-17:

- 12th International Jewellery, Kobe

May 17-18:

- BP Tokyo Nostalgic Car show, Tokyo

May 19-21:

- Beautyworld Japan – Tokyo

May 21-23:

- International Food Ingredients & Additives Exhibition and Conference, Tokyo
- Automotive Engineering Exposition 2008

May 22-24:

- Safety & Health 2008, Tokyo

May 27-30:

- FOOMA JAPOAN 2008 International Food Machinery & Technology Exhibition, Tokyo

May 28-29:

- Mental healthcare Japan 2008, Tokyo
- Japan Grand shoes Collection Autumn and Winter 2008, Kobe

May 28-30:

- Electrical Construction Equipment and materials Fair 2008, Tokyo
- LinuxWorld Expo/Tokyo 2008, Tokyo

May 29-31:

- Medical show Japan & Business Expo 2008, Tokyo

June 3-6:

- N-EXPO 2008 (Environment etc.), Tokyo

June 6-8:

- Welfare 2008, Nagoya

June 11-13:

- 08 Exhibition on Sensing via Image Information, Yokohama

- Japan Optical Measuring Fair 2008, Yokohama

- Interop Tokyo 2008 (Infotech., Telecommunications), Chiba

- 2008 Microelectronics Show 22nd Advanced Electronics Packaging Exhibition, Tokyo

- JPCA Show 2008 (Electronic Circuits), Tokyo

June 18-20:

- Geoinformation Forum Japan 2008 Exhibition, Yokohama

- SIGN EXPO 2008 (Ads materials & Equipment), Osaka

June 18-21:

- Automotive Parts Products Solution Fair 2007, Tokyo

- Health & Fitness Japan 2008, Tokyo

June 21-22:

- BP Nagoya Nostalgic Car Show, Nagoya

June 26-28:

- Yokohama Human & Technoland 2008, Yokohama

- Japan Print 2008 (Information & Graphic Arts), Osaka

July 16-18:

- International Horticulture Exhibition, Chiba

July 22-25:

- Sewage Works Exhibition '08, Yokohama