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First Japan-Oman Business Forum held:

"Contribution of the Japanese business sector towards sustainable development of Oman" was the fundamental theme of the first ever Japan-Oman Business Forum held at the Oman Chamber of Commerce & Industry on 2nd November 2008. This was jointly organised by the Embassy of Japan in Oman, Japan External Trade Organisation (JETRO), Omani Centre for Investment Promotion and Export Development (OCIPED) and the Oman Chamber of Commerce and Industry (OCCI).

A Japanese business delegation from Dubai attended the forum, comprising of more than 50 representatives from various companies from Dubai, Tokyo and London. The Omani side on the other hand, was represented by government officials and representatives from private companies who are considering establishing business contacts with Japanese counterparts.



HE Seiji Morimoto, Ambassador of Japan to the Sultanate, and HE Mohsin Bin Khamis Al Balushi, Adviser, Ministry of Commerce and Industry, delivered the keynote addresses. They emphasized that business between Japan and Oman is based on balanced relations with a focus on energy resource imports from Oman to Japan and machine exports by Japan to Oman.

Prominent speakers also discussed Oman's general business environment, infrastructure developments, oil and gas projects and business experiences of Japanese companies specialising in infrastructure, development, construction, trade and environment issues.

Key speakers included Mohammed Abdullah Al Mahroqi - Chairman of Electricity and Water Authority, Eng. Nabil Abdullah Al Ghassani - CEO of TAKAML, Eng. Waeel Ahmed Al Lawati - CEO of OMRAN, and senior representatives from JETRO, Japan Bank for International Cooperation (JBIC), Obayashi Corporation, Hitachi Plant Technologies, Ltd., Itochu Corporation and Mitsubishi Corporation.

Subsequent to the Forum was a business-to-business meeting, and the Japanese delegation also met some of the high-ranking government officials of Oman on the next day.

In the recent years, the trade between Japan and Oman has significantly increased. Bilateral trade was approximately US\$6 billion in 2007, and the Sultanate is considered to be one of the most promising markets for Japanese products, with exports from Japan reaching about US\$2.5 billion.

Japan has also made significant contributions in the development of the Omani Liquefied Natural Gas (LNG) sector by providing investments and participating in the construction of the LNG plant. On the average, the LNG exports to Japan reaches up to 3.62 million tonnes per year.

Japan partners with the UAE in Hosting Forum for the future:

In cooperation with Japan, the UAE Ministry of Foreign Affairs organised the fifth and final ministerial meeting of the Forum for The Future 2008 in October 2008 in Abu Dhabi. The session was attended by high-level delegations from the Group of Eight (G-8), the broader Middle East and North African countries, Europe, Canada and Turkey, as well as regional and international institutions. Civil society organisations and the business sector were also represented.

The two-day forum addressed a number of topics, including progress accomplished in political reforms, reform of vocational education and professional and technical training, unemployment, sustainable development, and broader cooperation between the government, civil society and private sectors.

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P.O.Box : 2272, Dubai, UAE
Tel : +971 4 3328264
Fax : +971 4 3328305
www.jetro.go.jp/uae/

Editor : Kuniyasu Funaki
Sub Editor : David Thomas
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Preceding this event was the Sub-Ministerial and Civil Society Joint Meeting of the Forum for The Future held in June 2008 at the Inter-Continental Hotel in Dubai, and was attended by government officials and representatives from the private sector and the civil society. It consisted of sessions focusing on the importance of the partnership of the civil society and the government. Also in this meeting, the participants discussed the agenda and the logistical requirements for the Ministerial Meeting.

The Forum for the Future started from consultations at the Arab Summit in Tunisia and the G-8 Summit at Sea Island, United States, in June 2004, which was also participated by countries from Europe and the broader Middle East and North Africa. The first session was held in Morocco in December 2004, the second in Bahrain in 2005, and the third session in Jordan in 2006. Yemen and Germany organized some of the events of the Forum's fourth edition in 2007.

On the sidelines of the Forum was a meeting between UAE Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan and Japan's Minister of Foreign Affairs Hirofumi Nakasone. Both parties have decided to expedite the process and conclude the treaty to avoid double taxation on trade.

UAE seeks Japan's cooperation to develop Nuclear Power Plants:

A UAE delegation, headed by Mohammed Al Hammadi, president of the Emirates Nuclear Energy Corporation, visited Japan in December 2008, to hold talks with the Japanese government officials and reactor makers, as UAE is considering the nuclear option for generating alternative energy. The delegation held discussions with leading Japanese companies in the field of nuclear energy on possible cooperation in the future.

Japan, as one of the leading country in the world generating atomic energy, may support the UAE by helping to develop a legal framework for the development of nuclear energy, and by training employees. Japan may follow France, the US and UK in signing agreements with the UAE in the nuclear energy field.

As the domestic energy requirement of the UAE has increased diversely in the recent times, the country has started importing natural gas from Qatar, of which, a portion is supplied to the Sultanate of Oman, via overland pipelines. UAE is also talking with Iran for the supply of natural gas from that country.

The six Gulf Cooperation Council states, which include the UAE, Saudi Arabia, Kuwait, Qatar, Bahrain and Oman, had asked the International Atomic Energy Agency (IAEA) last year to prepare a study on the viability of nuclear power for the region.

Topics on Economy, Business and New Technology

Japan announces ¥ 23 trillion stimulus package:

Japan's Prime Minister Taro Aso has announced a revised economic stimulus package covering an amount of ¥ 23 trillion (Approx. US \$ 230 billion), to boost the Japanese economy. The announcement was made on 12th December 2008 in a press conference.

Under the revised scheme, the government is planning to increase the ceiling of funds provided to banks to facilitate loans to smaller companies, to ¥10 - 12 trillion from the previous ceiling of ¥2 trillion. The government will also take measures to alleviate the problems in the housing and property markets, where financial contraction is serious even among healthy businesses. The new announcement provides for assistance to the housing and real estate business through the Japan Housing Finance Agency (JHFA), in addition to the emergency response operations, via government finance. JHFA is expected to start Limited-term financing before the end of the calendar year.

The package also includes a ¥ 6 trillion measure for people's livelihoods that the prime Minister had announced in October 2008. An additional ¥1 trillion was earmarked to help people find or keep jobs and another ¥ 1trillion for local governments so that they can provide employment subsidies.

Matsushita Electric changed name to Panasonic Corporation:

Commemorating its 90th anniversary in 2008, Matsushita Electric Industrial Co., Ltd. had changed its name to "Panasonic Corporation" effective 1st October 2008. The company said that it would unify its corporate brands to a global brand "Panasonic" across the world with effect from 1st April 2010. The "National" brand will then be abolished and the corporate brand in Japan will be unified to the "Panasonic" brand.

The name "Matsushita Electric Co. Ltd.," has been in use since the company's incorporation as a joint-stock company in 1935. Before that the company was known as "Matsushita Electric Manufacturing Works" since 1929 and "Matsushita Electric Housewares Manufacturing Works" since 1918 when it was first established.

Panasonic plans to buy Sanyo:

The Japanese electronic giant Panasonic and Sanyo Electric Co. Ltd. have entered into a 'Capital and Business Alliance Agreement', by which, Panasonic will aim to acquire the majority of voting rights of Sanyo, by means of public tender offer bid. There were also media reports saying the president of Panasonic, Fumio Ohtsubo and his Sanyo counterpart, Selichiro Sano have come to an agreement that Panasonic acquires Sanyo by buying preferred shares owned by Sumitomo Mitsui Banking Corp., Daiwa Securities SMBC Co., and



Goldman Sachs Group Inc by April 2009. The reports said that Panasonic intends to maintain most of Sanyo's employees and keep Sanyo as a brand name.

If succeeded, this will be the first such merger and acquisition (M&A) between two major Japanese electronics manufacturers in Japan's history. The deal may make Panasonic Japan's biggest electronic company.

Sales of both Panasonic and Sanyo together for the fiscal year 2008-09 is expected to be around US\$ 114 billion.

Toyota introduces eye monitor to Pre-crash Safety System in vehicles:

Toyota Motor Corporation announced that it has incorporated an 'Eye Monitoring Device' in its Pre-crash Safety System in vehicles. The new equipment will give the system, the ability to determine whether a driver's eyes are properly open. This, according to Toyota, is the first of its kind in the world.

In case the pre-crash safety system senses that a collision is imminent and finds that the driver's eyes are not properly open, the system would issue a warning, much earlier than what it would have been without the new device. The eye-monitoring feature, to be fitted in vehicles uses a camera and image-processing device to determine the position of the driver's upper and lower eyelids.

Toyota expects that the introduction of this new technology would reduce collision-related damages to a greater extent, and would improve the overall vehicle safety performance, as driver condition is an important factor in traffic safety.

Kuwait-Japan Oil Refinery in Vietnam:

Idemitsu Kosan Co., a major oil refiner in Japan has announced that the first-ever Kuwait - Japanese joint refinery project in Vietnam was established in cooperation with Petro Vietnam, Kuwait Petroleum International (KPI) and Mitsui Chemicals Inc. The new project, named "Nghi Son Refinery & Petrochemical Limited Liability Company", planned to be located at the Nghi Son Economic Zone in the Thanh Hoa Province of Vietnam, will include a petrochemical complex and a refinery. The company said that they were on the basic equipment design stage and preparing bids for construction. It also reaffirmed that construction of the US \$ 6 billion refining and petrochemical complex would commence within two years, if the participating companies decide to go ahead with the plan after examining its economics efficiency and fund procurement.

KPI, an international arm of the Kuwait Petroleum Corporation (KPC), and Idemitsu Kosan Company will equally own a 35.1% stake in the venture to construct the petrochemical complex with a refining capacity of 200,000 barrels per day. Petro Vietnam will hold 25.1%, and Japan's Mitsui Chemicals Inc. 4.7% of stakes in the venture. If realised, the refinery and the petrochemical complex will be operational by late 2013. It will become the country's second oil refinery, which is to be located 180km south of Hanoi. The joint venture was established in April 2008 and obtained the investment licence in May 2008.

JETRO UPDATES

Business Support Office opens in Saudi Arabia:

The Japan-Saudi Arabia Industrial Cooperation Task Force officially opened a new overseas business incubation facility called the 'Business Support Office' (BSO) for Japan-Saudi Arabia Industrial Cooperation, in Riyadh, Saudi Arabia. JETRO serves as the Japan side coordinator for this project. The BSO's primary function is to offer a full range of support and service to Japanese companies planning to enter the local markets, as well as those seeking business and technology tie-ups with Saudi Arabian Firms.



"Yasuo Hayashi, Chairman of JETRO, with Azzam Y. Shalabi, President of National Industrial Cluster Development Program & Coordinator of Saudi-Japan Industrial Cooperation Task Force, at the opening of BSO in Riyadh"

JETRO Riyadh is supporting BSO's management and services, including providing expert advice and consultation, and access to JETRO Riyadh library. BSO has four temporary office spaces, which companies interested in entering the local market can use as their temporary base for up to two months.

Agrotrade Handbook 2008 (excerpt):

The English excerpt of JETRO's "Agrotrade handbook 2008" is now available for free download (PDF format), on the JETRO Website at <http://www.jetro.go.jp/en/stats/survey/trade>.

For more information, please contact:

Mr. Saburo Tsutsumi, Agriculture and Fisheries Research Division,
Tel:+81-3-3582-5186, Fax:+81-3-3582-7378,
E-mail; EXD@jetro.go.jp

