

# **JAPAN BIZ NEWS**

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#### Japan - An attractive Investment Destination:

# Invest Japan Promotion Forum and Road Show in Abu Dhabi

The Ministry of Economy, Trade and Industry (METI) of Japan and Japan External Trade Organization (JETRO) have jointly organized an 'Invest Japan Promotion Forum and Road Show' in Abu Dhabi, in cooperation with the Japanese embassy in the U.A.E. The event was held on 11th March 2009 at the Le Royal Meridian hotel in Abu Dhabi.



Dr. Haruo Shimada speaking at the Invest Japan Promotion Forum

This program was designed to promote business and investment between Abu Dhabi and Japan by providing meeting opportunities for businessmen from the U.A.E. and Japan. A top economist, Dr. Haruo Shimada, Chairman of Invest Japan Promotion Council of Japanese Government, and President of Chiba University of Commerce attended the Forum to give lectures. His lectures were focussed on current economic situations of Japan, as well as on its future prospects. He has also emphasized on the increasing business opportunities in Japan, through the introduction of the profiles of each participating companies in the Forum. The seminar was followed by one-on-one individual business meetings and a networking luncheon.

Senior executives of 23 companies from Japan have attended the Forum and the Road Show. The Japanese companies had presented their latest technologies and offered promising investment projects. From the side of Abu Dhabi, 10 international companies had participated in the event. Some of the projects proposed during the seminar are being materialised which are subject to the follow up of JETRO.

# New horizon in Japan - UAE ties in the field of Renewable Energy:

#### Japan sets up large pavilion at the World Future Energy Summit-2009 in Abu Dhabi

Japan had a large presence in this year's World Future Energy Summit held at the Abu Dhabi National Exhibition Centre, between 19th and 21st of January 2009.

The event was organized by Masdar, the Abu Dhabi Future Energy Company that was established by the Government of Abu Dhabi in 2006 to develop the renewable and alternative energy technologies and solutions. It brought together world's leading innovators, educators, scientists, venture capitalists, machinery and technology suppliers and experts in the field of alternative and renewable energies through this 3-day event. 359 exhibitors took part in this year's exhibition, which was 68% more participation from the previous year. The exhibition attracted over 16,800 visitors, 50% higher than the number of visitors in the previous year.

Pavilion, set up jointly by the Japanese Ministry of Economy, Trade and Industry (METI) and the Japan External Trade Organization (JETRO) in cooperation with the Japanese Embassy in Abu Dhabi, was the largest among the nine national pavilions in the exhibition, including that of UK, US, China and Germany. The Japanese pavilion had the participation of 19 companies/organizations from



H.H. Sheikh Mohammed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi, visiting the Japanese Pavilion



Japan, from the fields of alternative and renewable energy technologies. Following were the companies/organizations participating in the exhibition under the Japanese pavilion. Mitsui & Co., Mitsubishi Chemical, Cosmo Oil, Japan Oil, Inpex Group JODCO, JGC Corporation, Hitachi Plant Technologies, JCCME, Nisshinbo Industries, Nippon Oil/Sanyo Electric Co., Sharp Middle East, Itochu Corporation, Han-ei Kensou Co., CDM Consulting Co., Sekisui Chemical Co., Seabell Int'l Co., Mebiol Inc., The Overseas Construction Association of Japan, and Toshiba Gulf FZE.

A number of senior officials from Japan including H.E. Takamori Yoshikawas - Senior Vice Minister of METI - attended the exhibition. The officials have also attended a seminar that was held parallel to the exhibition. The Japanese minister was also a speaker at the seminar, who gave a lecture on Japan's strategies and policies on alternative energy. General Sheikh Mohammed bin Zayed Al Nahyan, Crown Prince of Abu Dhabi and Deputy Supreme Commander of UAE Armed Force, visited the Japanese pavilion on the opening day of the exhibition. Many other political and business leaders, including Tony Blare, the former Prime Minister of UK attended summit.

#### **Intellectual Property Protection:**

#### Japan and the UAE enhance co-operation

A Japanese Government - Private Joint Mission for Intellectual Property Protection, visited Saudi Arabia and the UAE during the month of January 2009. The 20-member delegation from the International Intellectual Property Protection Forum (IIPPF), comprising officials from Japanese companies and government bodies visited Riyadh in Saudi Arabia between 23rd and 25th January, and moved to the UAE from 25th to the 29th of the same month.

In the UAE, the delegation visited the Ministry of Economy, Dubai customs, DP World, Department of Economic Development, Dubai Police, Sharjah Municipality, Sharjah customs, and the Department of Economic Development of Sharjah. The delegation's discussions with officials in the UAE were centered on how to prevent counterfeit products entering the UAE from other countries, especially from China, and on how to cooperate each other for protecting the intellectual property rights of genuine owners of properties.

A one-day seminar on Intellectual Property Rights Protection was also held in Dubai on 29th January at the Shangri-La hotel, organized jointly by the Japan's Ministry of Economy, Trade and Industry (METI), Japan External Trade Organization (JETRO), the Japan Patent Office and the International Property Protection



The seminar on Intellectual Property Rights in progress

Forum. The seminar was attended by a number of officials from entities in the UAE, such as, the Ministry of Economy, Dubai Customs, Dubai Police, Sharjah Municipality, Sharjah Customs, Sharjah Department of Economic Development, in addition to many legal professionals, and officials from Japanese companies.

## Japan looks at UAE as a major potential market for food exports:

#### **Japanese Food Export Mission visits UAE**

As part of the promotion of Japanese food exports to the UAE, JETRO has organized the visit of a major Food Export Delegation from Japan to Dubai between 20th and 23rd January 2009. The 40member mission, comprising food producers, food exporters and government officials had visited several places in Dubai, including markets, restaurants, super markets, importer's warehouses, farms etc.



Members of Food Mission interacting with the vendors at Dubai fish market

In addition to these visits, the delegation had also visited Dubai's premium food exhibition, the 'Gulfood Exhibition' that was held in Dubai during this period. Some of the delegates had their own booths in the Gulfood.

The delegation also met officials of Dubai Municipality's Food Control Section, during which, the municipality officials briefed the delegation on Dubai's Food import regulations and related matters. The delegation also visited Dubai's fish and vegetable markets under the guidance of the Municipality officials.

On 22nd February 2009, a Food Trade Conference was organized by JETRO at the Murooj Rotana Hotel in Dubai, which was attended by around 150 delegates, including the Japanese food mission members, senior Japanese government officials, food importers, distributors, retailers, restaurant managers and chefs from around the UAE and surrounding countries.





The Food Trade Conference in progress

The Food Trade Conference provided the delegates with an opportunity to familiarize with Japanese food ingredients, such as fish and traditional seasonings etc, and Japanese fruits such as apples and melons that were specially flown in from Japan. A Networking Lunch Reception was held following the seminar, along with sample tasting of some of the Japanese foods.

# Topics on Economy, Business and New Technology:

#### Japan's World Trade at record high in 2008:

The value of Japan's world trade in 2008 surged by nearly 15% to US \$ 1,532 billion, compared to US \$ 1,333 billion in 2007. The surge was partly due to expansion in Japan's exports, but largely due to increased cost of imports caused by the steep rise in the price of crude oils. When the value of exports increased by 8.9% to US \$ 775.9 billion, the value of imports surged by 21.7% to 756.1 billion. Due to the high increase in the value of imports, Japan's trade surplus nose-dived in 2008, falling by 78.4% to 19.8 billion US dollars, compared to 91.7 billion US dollars in 2007.

Capital equipments topped Japan's exports list, with a value of US \$ 394.4 billion in 2008. This includes mainly general machinery, electric machinery and transport equipment. Export of general machinery surged by 8.2% to US \$ 152.7 billion in 2008, compared



to US \$ 141.2 billion in 2007. Export of power generating machines, the top single category among general machinery grew by 9.5% to US \$ 24 billion in 2008 from US \$ 22 billion in 2007. Electrical machinery grew in exports by 2.2% to US \$ 147.2 billion from 143.9 billion. Semiconductors were the largest single item in electrical machinery with a value of US \$ 44.5 billion in exports. Another major category of export - transport equipment - saw a surge by 6% to US \$ 192.2 billion in 2008. Export of passenger motorcars - the largest single item in this category - reached US \$ 114.3 billion in 2008, compared to US \$ 107.8 billion in 2007, an increase by over 6%.



Major imports into Japan in 2008 were mineral fuels covering over 34% of the total imports. The import value of mineral fuels surged by 53% to US \$ 264.2 billion in 2008, compared to US \$ 172 billion in 2007. Crude oils accounted for more than 58% of mineral fuels (155 billion) and the rest of mineral fuels were shared among petroleum products (22 billion), petroleum spirit (16 billion), gaseous hydrocarbons (86 billion) and coal (29 billion). Other major items of import include machinery and equipment (US \$ 163 billion), foodstuff (US \$ 60 billion), raw materials (US \$ 53 billion), chemicals (US \$ 55 billion), manufactured products (70 billion), and others US \$ 90 billion).



Japan's trade with the GCC countries surged by 43.1% to US \$ 171.7 billion in 2008, compared to US \$ 120.0 billion in 2007. While exports to GCC countries increased by 28.4% to US \$ 27.6 billion, imports increased by 46.3% to US \$ 144.2 billion. The steep rise in the value of Japan's imports from the GCC states is attributed to the exceptionally high increase in the price of crude oils during the year 2008.

A 41.8% increase in value was recorded in the Japan-UAE trade during 2008, which reached an all time high of US \$ 57.2 billion. Japan's exports to the UAE reached US \$ 10.8 billion in 2008, in the place of US \$ 8.0 billion in 2007. Imports from the UAE rose by 43.7% to US \$ 46.4 billion in 2008, against 32.3 billion in 2007.

#### Low-Carbon Society - Japan to Boost Solar Power Generation:

Aiming at achieving a Low-Carbon Society, Japan is embarking on an action plan for promoting solar power generation as an important domestic source among renewable energy sources. The plan envisages installation of solar power generation systems tenfold by 2020 and 40-fold by 2030, and roughly halving the current price of solar power generation within three to five years. The action plan, approved by the cabinet in 2008, will be jointly implemented by the Ministry of Economy, Trade and Industry, Ministry of Education, Culture, Sports, Science and Technology, Ministry of Land, Infrastructure, Transport and Tourism and the Ministry of Environment.

The immediate task in the plan is the promotion of installation of solar power generation systems in homes, businesses and public facilities by steps taken on the supply side and demand side. On the supply side, the plan looks at providing high-performance solar power generation systems at low cost, and on the demand side, the plan aims at promoting the demand for solar power generation systems in individual sectors such as household, businesses and public facilities.

In order to felicitate smooth dissemination of solar power generation, it was also thought essential that infrastructure, including regulatory instruments, are to be developed in a comprehensive and unified manner, along with the supply-side and demand-side assistance measures. For this reason, measures such as formulation of a strategy for solar power generation industry, developing materials and module technologies, expansion of markets beyond Japan to the Asia-Pacific, Middle East and other regions, securing of raw materials through resource diplomacy, and establishment of international standards for solar power generation system etc. are being considered.

The government expects that the collaboration between various government agencies will hasten necessary technological developments in this sector, so that the generation and utilisation of solar energy becomes more economical and popular.



### Japan cultivates overseas markets for its SME's:

Japan, faced with a shrinking domestic market due to an aging population and a falling birth rate, is initiating on expanding overseas markets for her small and medium enterprises (SMEs). The Ministry of Economy, Trade and Industry (METI) is formulating programs to support overseas market cultivation by SMEs to secure business partners in Asia and other growing overseas markets. In this process, JETRO and the Organization for Small and Medium Enterprises Regional Innovation, Japan (SMRJ) are leveraged by METI in order to support the SMEs to find new markets overseas. The regional Bureaus of Economy, Trade and Industry will set policies such as on which markets and which products to be promoted, with an annual target of around 250 SMEs that have an interest and ability to move into overseas markets.

The program will assist SMEs in exhibiting their products at about 20 overseas trade fairs, including food, drink, and hospitality exhibitions in Hong Kong and Taiwan and an international furniture exhibition in New York. Additionally, the program will support SMEs with its more than 40 support measures designed to fit different business stages, including business strategy development assistance by JETRO and SMRJ experts, business matching with overseas companies, an opportunity for test marketing through overseas department stores.

