

Section 5 Middle East

< Future policy >

The Middle East is a region essential to stable energy supply for Japan. Japan aims to enhance economic cooperation with the region, expand markets there and ensure the stability of the region through support for industrial diversification and improvement of the trade and investment environment, which have become challenges for Middle Eastern countries heavily dependent on oil.

< Progress status >

With respect to Saudi Arabia, in September 2016, Crown Prince Mohammed bin Salman and Prime Minister Shinzo Abe agreed to establish the Joint Group for Saudi-Japan Vision 2030, and discussions started toward implementing specific, wide-ranging bilateral cooperation in order to maximize the synergy between the Saudi Vision 2030 and Japan's growth strategy. In October of the same year, the first ministerial meeting of the Joint Group for Saudi-Japan Vision 2030 was held in Riyadh, and Minister of Economy, Trade and Industry Seko attended the meeting. In March 2017, King Salman Bin Abdulaziz Al-Saud of Saudi Arabia visited Japan, becoming the first Saudi king to do so in 46 years, and at the Japan-Saudi summit between King Salman and Prime Minister Abe that was held during the visit, the two countries agreed on the Japan-Saudi Vision 2030²⁵ as a new compass for Japan-Saudi cooperation. With the Japanese and Saudi leaders as witnesses, Minister of Economy, Trade and Industry Seko, Minister of Economy and Planning Adel Fakeih and other officials signed the Memorandum of Cooperation on the Implementation of Saudi-Japan Vision 2030. In addition, the second ministerial meeting of the Joint Group for Saudi-Japan Vision 2030 was held with the participation of the two ministers, with discussions held toward steady implementation of the vision. Since April 2017, four meetings of working-level subgroups of the Joint Group for Saudi-Japan Vision 2030 have been held in order to monitor cooperative projects included in the vision and hold discussions toward increasing opportunities for cooperation. In January 2018, as part of cooperation based on the vision, the Saudi-Japan Vision 2030 Business Forum (organizers: JETRO, Japan Cooperation Center for the Middle East (JCCME), and Saudi Arabian General Investment Authority) was held in Riyadh,

25 Outline of the Saudi-Japan Vision 2030

- As a new compass for Japan-Saudi cooperation, Japan and Saudi Arabia will aim to leverage synergies of Saudi Vision 2030, an economic and social blueprint of the government seeking to reduce its dependency on oil and create employment, and Japan's Growth Strategy seeking to achieve an annual GDP of 600 trillion yen per year.
- To maximize these synergies, both sides will develop comprehensive cooperation composed of three pillars: diversity, innovation, and soft values, which is unique to Japan.
- Both sides will set broad cooperation areas across nine themes (competitive industry, energy, entertainment and media, healthcare and medical, quality infrastructure, agriculture and food security, SME and capacity building, culture, sports and education, and investment and finance), as prioritized areas in the concrete partnership.
- In order to promote cooperation concerning the nine themes, both sides will also collaborate in enhancing "enablers" to facilitate business, e.g., revision of regulations and provision of incentives.
- Six sub-groups will be established with respect to "trade and investment," "investment and finance," "energy and industry," "SME and capacity building," "culture, sports and education," and "business promotion measures and cross-sectoral challenges."
- Both sides will discuss setting up dedicated industrial zones that showcase models of Saudi Arabian economic reform, so-called "Enabler Showcase Zones." Moreover, they will establish "Saudi-Japan Vision Offices" in Tokyo and Riyadh as bases for continuously following implementation of the Vision 2030.

and it was attended by Minister Seko on the Japanese side and by Minister of Energy, Industry and Mineral Resources Khalid Al-Falih, Minister of Commerce and Investment Majid Bin Abdullah Al Qasabi, and Managing Director Al-Rumayyan of the Public Investment Fund on the Saudi side. In this forum, 67 Japanese companies and 130 Saudi companies participated, and Minister Seko and other participating ministers reported on the progress in Japan-Saudi Vision 2030. Memoranda of understanding concerning cooperation between companies were exchanged and company sessions concerning three themes--healthcare, entertainment, and manufacturing/energy--were held. In addition, it was announced that the Saudi-Japan Vision Office in Riyadh will be opened in order to further implement and expand cooperative projects under Japan-Saudi Vision 2030. Minister of Economy, Trade and Industry Seko held a meeting with Minister of Energy, Industry and Mineral Resources Al-Falih, who was appointed to concurrently serve as chairman of the Saudi Center for Strategic Partnerships, which had been established within the Saudi government to oversee bilateral cooperation, and agreed with him to continue to implement cooperation based on Japan-Saudi Vision 2030 with increased momentum and speed.

With respect to Iran, Deputy Minister of Foreign Affairs for Legal and International Affairs Seyyed Abbas Araghchi visited Japan in August 2017 and held a meeting with Minister of Economy, Trade and Industry Seko. At the meeting, they exchanged views about Japanese companies' activities in Iran and business support provided by the governments of the two countries. In September, Prime Minister Abe held a summit meeting with President Hassan Rouhani on the occasion of the United Nations General Assembly. President Rouhani welcomed the recent development of the Japan-Iran relationship and expressed hope for the promotion of Japanese investments, and Prime Minister Abe stated that Japan would support companies' activities in order to expand the two countries' economic relationship. In October, JETRO opened a Japan pavilion at the Tehran International Industry Exhibition as it did in the previous year and 15 Japanese companies participated in it.

With respect to the United Arab Emirates (hereinafter referred to as the "UAE"), in April 2017, Minister of Foreign Affairs and International Cooperation Sheikh Abdullah bin Zayed Al Nahyan visited Japan and made a courtesy call on Prime Minister Abe. He also held a meeting with Minister of Economy, Trade and Industry Seko, and they confirmed that the two countries would strenuously develop bilateral relationships not only in the energy fields but also in other fields. In a meeting between Minister Abdullah and Minister for Foreign Affairs Kishida, it was confirmed that a broad agreement had been reached on the two countries' investment treaty. In October, Minister Seko visited the UAE and held meetings with Minister of Foreign Affairs and International Cooperation Sheikh Abdullah bin Zayed Al Nahyan and other senior government officials of the UAE, and at the meetings, he encouraged the UAE to renew oil concessions concerning offshore oilfields possessed by Japanese companies and exchanged views about the expansion of economic and other relationships between Japan and the UAE. In addition, a memorandum of cooperation was signed between Abu Dhabi National Oil Company (ADNOC) and Japan Oil, Gas and Metals National Corporation (JOGMEC) with respect to strategic business development related to oil and gas projects in the upstream, midstream and downstream sectors, technical assistance, and human resource development. Moreover, Japanese female business leaders were dispatched to the UAE to engage in the first-ever networking session for female leaders from the

two countries. In December, Minister of Economy, Trade and Industry Seko held a meeting with Minister of State Maitha Al Shamsi, who was visiting Japan, and they agreed that Japan and the UAE would enhance cooperation in expanding female business leaders' networking activities. When Minister Seko attended the World Future Energy Summit 2018, which was hosted by the UAE government, in January 2018, he held a meeting with Crown Prince Mohammed bin Zayed Al Nahyan and he called for the renewal of oil concessions concerning offshore oilfields possessed by Japanese companies. In February, Minister of State Al Jaber, who concurrently serves as ADNOC's CEO, visited Japan and made a courtesy call to Prime Minister Abe. He also held a meeting with Minister Seko, and the two ministers agreed to strenuously develop bilateral relationships not only in the energy field but also in other fields. In the same month, it was decided that concessions concerning offshore oilfields possessed by Japanese companies that were scheduled to expire in March 2018 would be renewed and extended for 40 years until 2058. In March, the Ministry of Economy, Trade and Industry, the Ministry of Economy of the UAE, and JETRO jointly held the UAE–Japan Strategic Business Forum, which was intended to promote investment in the UAE by Japanese companies and exchange between companies of the two countries. Minister of Economy Bin Saeed Al Mansoori, who visited Japan to attend this forum, held a meeting with Minister of Economy, Trade and Industry Seko and exchanged views about industrial diversification and cooperation between research institutions.

With respect to Israel, in May 2017, Minister of Economy, Trade and Industry Seko visited Israel, and he made a courtesy call on Prime Minister Benjamin Netanyahu and agreed with him to strengthen relationships between Japanese and Israeli companies. Minister Seko also held an Economic Policy Dialogue meeting with Minister of Industry and Economy Eli Cohen and signed a joint statement for the Japan-Israel Innovation Partnership that represented a policy concerning new initiatives related to the fields of cybersecurity and industrial R&D and the acceleration of business to business cooperation. Minister Seko also visited Palestine, and he held a meeting with Prime Minister Rami Hamdallah and exchanged views with him about promoting economic exchange between the two countries. In November, Israeli Minister of Industry and Economy Eli Cohen visited Japan and held a Japan-Israel Economic and Innovation Policy Dialogue meeting with Minister Seko. The two countries conducted activities to further promote businesses between Japan and Israel, for example by establishing the Japan-Israel Innovation Network, a new platform for accelerating exchange between companies which is comprised of government organizations, trade promotion organizations and all major economic associations of the two countries.

With respect to Turkey, a meeting of the Japan-Turkey Economic and Trade Committee, a working-level meeting intended to promote trade and investment between Japan and Turkey, was held in April 2017. In June, Minister of Foreign Affairs Mevlut Cavusoglu visited Japan and held a meeting with Minister of Economy, Trade and Industry Seko. Minister Seko expressed hope to further develop Japan's relationship with Turkey, the largest base of manufacturing and export in the Middle East, as a strategic partner. On the occasion of the U.N. General Assembly in September, Prime Minister Abe held a summit meeting with President Recep Tayyip Erdogan and held discussions on the enhancement of bilateral relationships in economic fields, including bilateral trade, investment and tourism. In March 2018, Minister of the Economy Nihat Zeybekçi visited Japan, held a ministerial meeting related to Japan-

Turkey trade and investment, and exchanged views about further enhancement of the two countries' economic relationship.

With respect to Qatar, Minister of Energy and Industry Mohammed bin Saleh Al Sada visited Japan in October 2017 to coincide with the LNG Producer-Consumer Conference 2017, and he, together with Minister of Economy, Trade and Industry Seko, attended this conference. On that occasion, the 11th Japan-Qatar Joint Economic Committee was held, and the two countries exchanged views about enhancing economic relationships, including stable supply of LNG to Japan. At the committee meeting, the New Energy and Industrial Technology Development Organization and Qatar General Electricity & Water Corporation signed a memorandum of understanding on a demonstration project for an energy-saving, highly efficient seawater desalination system.

Prime Minister Abe visited the United Arab Emirates, Jordan, Palestine and Israel in April-May 2018.

In the United Arab Emirates, Prime Minister Abe held a meeting with Crown Prince Mohammed bin Zayed Al Nahyan of Abu Dhabi. At the meeting, they agreed to further strengthen the strategic partnership of the two countries in a wide range of fields such as politics, defense, education, agriculture, cutting-edge technology, etc., in addition to energy and the economy. They also issued the Joint Statement on Deepening and Strengthening Strategic Partnership between Japan and the United Arab Emirates - Opening a New Chapter of Cooperation towards Prosperity and Stability towards a future shared between the two countries.

In Jordan, Prime Minister Abe held a summit meeting with King Abdullah II ibn Al Hussein of the Hashemite Kingdom of Jordan. At the meeting, the two leaders welcomed the substantive agreement reached on the two countries' investment treaty and expressed hope that this would act as a springboard for the development of the two countries' economic relationship.

In Palestine, Prime Minister Abe held a summit meeting with Palestine President Mahmoud Abbas.

In Israel, Prime Minister Abe held a summit meeting with Prime Minister Benjamin Netanyahu. Prime Minister Abe mentioned the establishment of the Japan Israel Innovation Network (JIIN) in 2017 and stated that programs such as the sending of young entrepreneurs, holding of seminars and matching events in cutting-edge fields, including cybersecurity, innovation and biotechnology, were being planned.