

## **Section 2 Progress and future policies in each region**

This next section describes the progress of the strategies for each of the aforementioned groups of emerging economies and the policies for future activities in these regions.

### **1. Group 1: China and ASEAN**

#### **<Progress Status>**

(a) Measures to further enhance competitiveness have been implemented in areas into which Japanese companies have already expanded. For example, in Myanmar, a joint Japan-Myanmar consortium was established in October 2013 to develop the Thilawa Special Economic Zone, with the groundbreaking ceremony taking place the following month. The public and private sectors are working together to develop infrastructure in the surrounding area and establish a one-stop service to provide support, with a view to the zone's opening in 2015. In Indonesia, members of the public and private sectors in both countries are moving forward with the Jakarta MPA (Metropolitan Priority Area), an initiative that seeks to improve the investment environment, including through infrastructure development. At the fourth meeting of the MPA Steering Committee – a ministerial-level body – in December 2013, both countries agreed to work together on efforts to further expedite a project aimed at developing a new port at Cilamaya, among other MPA projects.

(b) In addition, to capture markets in a wide range of sectors, efforts to develop sales finance systems in the ASEAN region have been strengthened, as have Cool Japan initiatives.

#### **<Future policy>**

(a) Firstly, it is necessary to further bolster competitiveness by such means as enhancing infrastructure and supply chains in the manufacturing sector and other fields in which Japan has already expanded overseas. This includes support provided via ERIA for the construction of ASEAN-wide infrastructure and supply chains that can withstand disaster, as well as country-specific initiatives, for example, expediting the implementation of MPA in Indonesia, considering whether or not to become involved in the development of the Dawei Special Economic Zone in Myanmar, and cooperation in offering support for Vietnam's industrialization strategy, which identifies specific priority fields. Strengthening human resource development is also crucial. Specific examples include developing a database of Japanese-speaking personnel in ASEAN and strengthening collaboration with alumni of training programs in Japan.

(b) Efforts to capture markets in a wide range of industries are also needed. More specifically, these include efforts to cultivate markets in the healthcare, logistics, and food sectors in ASEAN, and to improve the competitive environment through institutional development in the field of energy conservation.

## **2. Group 2: Southwest Asia, the Middle East, Russia, and Latin America**

### **<Progress status>**

(a) Agreements have been concluded with the governments of countries in this region, to enable Japanese companies to expand fully into promising sectors. When Minister of Economy, Trade and Industry Toshimitsu Motegi visited India in September 2013, he signed a joint statement on the Action Plan for Japan-India Investment Promotion. In addition, various initiatives have been undertaken in specific sectors that show promise, such as commitments to partnerships in the fields of electronics, medical equipment, and content.

In April 2013, during the first official visit to Russia by a Japanese prime minister for a decade, Prime Minister Abe and President Putin issued a joint statement covering such matters as the expansion of mutually-beneficial cooperation in new fields, namely food and agriculture, healthcare, and the urban environment. Furthermore, when Minister Motegi visited Russia in December 2013, concrete cooperation initiatives progressed in various individual fields and memorandums were exchanged concerning cooperation between the Ministry of Economy, Trade and Industry and the Russian Ministry of Economic Development, and cooperation concerning SMEs, in order to expedite efforts to bring to fruition the matters covered in the agreement between the leaders.

When Minister Motegi visited Brazil in May 2013, he held talks with the Minister of Development, Industry and Trade, among others, affirming that the two countries would improve the business environment with a view to encouraging investment by Japanese companies, as well as cooperating in efforts to develop smart communities and enhance infrastructure. In addition, following the first meeting of the Japan-Brazil Joint Committee on Promoting Trade, Investment and Industrial Cooperation in Brasília in October 2013, when the two countries agreed to initiate discussions about the possibility of cooperation in the field of smart communities, a training course for Brazilian government officials was held in Japan in February 2014, on the subject of Japanese energy conservation policy. In May 2014, concrete cooperation initiatives progressed in various individual fields when State Minister of Economy, Trade and Industry Midori Matsushima visited Brazil, with the two countries agreeing to hold a working group meeting on smart communities and to create opportunities for business matching between Japanese companies and Brazilian power companies.

(b) During visits to Saudi Arabia and the United Arab Emirates in April and May 2013, Bahrain, Kuwait, and Qatar in August that year, and Oman in January 2014, Prime Minister Abe sought to further strengthen Japan's ties with these resource-rich countries, issuing joint statements that covered such matters as efforts to encourage investment by Japanese companies, cooperation in human resource development, and the improvement of the investment environment. In January 2014, Minister Motegi visited the United Arab Emirates and concluded an agreement on the extension of Japanese companies' interests in the Upper Zakum oil field. He subsequently took the opportunity of visits to Japan by Crown Prince Salman bin Abdulaziz of Saudi Arabia and Crown Prince Mohammed bin Zayed of the United Arab Emirates in February 2014 to share his understanding of the importance of strengthening Japan's multilayered economic ties with both countries.

(c) In May and October 2013, Prime Minister Abe visited Turkey, conducting sales pitches that resulted in the securing of an exclusive right for Japanese companies to negotiate on the Sinop nuclear power station project, as well as an agreement on commercial contracts.

#### **<Future policy>**

(a) Regarding full-scale entry into promising sectors, Japan will develop a stronger presence by exhibiting at trade fairs and dispatching missions in priority fields in each country, based on the agreements concluded with various governments last year.

In addition, consideration will be given to efforts to build a broad-based supply chain in Southwest Asia. For example, these include the strengthening of distribution channels in the Indian Ocean Rim economic zone, which links the ASEAN region with India and Africa, as well as efforts to enhance infrastructure through partnerships with members of the Pacific Alliance, and initiatives aimed at bolstering connectivity through the development of the Delhi-Mumbai Industrial Corridor (DMIC) and the Chennai-Bangalore Industrial Corridor (CBIC).

(b) Furthermore, to strengthen ties with resource-rich countries and secure stable sources of energy supply, Japan will build multilayered relationships in the fields of education, healthcare, culture, and food, as well as industrial cooperation.

### **3. Group 3: Africa**

#### **<Progress status>**

(a) In June 2013, TICAD V was held in Yokohama and Japan announced measures aimed at contributing to Africa's ongoing development as a trustworthy business partner. One of these measures is the doubling of the number of JETRO offices in Africa (from five to ten) over the next five years; deliberations are already underway concerning the opening of new offices.

(b) In May 2013, the first Japan-Africa Ministerial Meeting for Resources Development was held in Tokyo and support for finance and human resource development was announced as part of the program entitled "Japan's Initiatives for Promotion of African Resources Development".

(c) Through visits by Prime Minister Abe in January 2014 and Minister Motegi in August 2013, Japan has provided backing for individual projects in Africa, in the form of geothermal power generation projects in Kenya, Tanzania, and Ethiopia, a thermal power plant project in Tanzania[M1], and natural gas and coking coal development in Mozambique. In addition, the government held a business forum to promote collaboration between Japanese and African companies.

#### **<Future policy>**

(a) The public and private sectors will work together to develop markets, offering support for companies wishing to exhibit at international trade fairs, and promoting investment treaties aimed at improving the investment environment, in order to create as many examples of success as possible. Furthermore, to deal with risk in a manner that addresses the security situation and risk management,

the government will further strengthen collaboration with diplomatic missions overseas and hold seminars on safety measures.

(b) To secure resource- and infrastructure-related projects, the government will intensively implement measures including the dispatch of missions to specific countries and in specific sectors. Moreover, it will consider providing human resource development support and financial cooperation to countries hosting resource infrastructure projects[M2].