JOINT MINISTERIAL STATEMENT

OF THE FOURTH MEETING OF THE JOINT COMMITTEE ON COOPERATION IN INDUSTRY, TRADE AND ENERGY BETWEEN
THE MINISTRY OF INDUSTRY AND TRADE OF VIET NAM (MOIT) AND
THE MINISTRY OF ECONOMY, TRADE AND INDUSTRY OF JAPAN (METI)

07 August 2020

1. H.E. Mr. Tran Tuan Anh, Minister of Industry and Trade of Viet Nam and H.E. Mr. Kajiyama Hiroshi, Minister of Economy, Trade and Industry of Japan co-chaired the fourth Meeting of the Joint Committee on Cooperation in Industry, Trade and Energy via video-conference on 07 August 2020 amidst the challenges caused by the COVID-19 outbreak.

2. During the fourth Meeting of the Joint Committee, two Ministers expressed satisfaction with the significant achievements gained between the two Ministries since the third Meeting of Viet Nam – Japan Joint Committee, especially the cooperation within the regional frameworks of ASEAN, RCEP, CPTPP and bilateral cooperation in energy, automotive industry, chemical management and industrial human resource development, despite the adverse impact of the COVID-19 pandemic.

3. At the Joint Committee, two Ministers had intensive discussions on how both Sides can work together to tackle the challenges after the COVID-19 outbreak.

4. Both Ministers reaffirmed the important role of the Viet Nam – Japan Joint Committee mechanism in removing obstacles for businesses, ensuring stability and continuity and further enhancing bilateral cooperation, especially in the midst of the COVID-19 pandemic. Two Ministers agreed that the bilateral cooperation in trade, industry and energy shall also be in line with the goals set out in the ASEAN-Japan Economic Ministers’ Joint Statement on Initiatives on Economic Resilience in Response to the COVID-19 and the ASEAN-Japan Economic Recovery Action Plan.
5. Minister Kajiyama Hiroshi paid his respect to Viet Nam’s leadership as the ASEAN Chair in 2020 and expressed his commitment to continue to cooperate with Viet Nam towards the success of series of the ASEAN-related meetings.

6. Under recognition as above, both Ministers recognized directions of bilateral cooperation as follows:

**INDUSTRY COOPERATION**

6.1. Deepening cooperation toward strengthening supply chain resilience

Ministers confirmed that it is necessary to take into account multifaceted perspectives, such as diversification, transparency and sustainability to realize resilient supply chains. In this regard, both Ministers confirmed the importance of boosting the supply chain linkage between the two countries more closely and more sustainably through encouraging and supporting the overseas diversification of production bases for goods and materials and also expressed their expectation for cooperation between Japanese and Vietnamese companies to realize the aim. Minister Tran Tuan Anh informed that the Government of Viet Nam is committed to continuously improving the investment environment in the coming time to create favorable conditions for foreign investors in general and Japanese investors/enterprises in particular.

6.2. Strengthening cooperation in upgrading industrial capacity and competitiveness

Minister Tran Tuan Anh highly appreciated the contribution of technical support from Japan in industrial human resources development and capacity building in enhancing the industrial competitiveness of Viet Nam during the past years and welcomed the Japan’s initiative on the human resources development (HRD) for the automobile related software for the ASEAN with the Viet Nam’s project as the first to be launched this year.

Minister Tran Tuan Anh also expressed his idea that cooperation can be worthwhile in the development of industrial human resources and capacity building through replication of the training model of "engineers with practical and creative skills" (KOSEN model) to training institutions under the Ministry of
Industry and Trade to improve the capacity and add more values to numerous major industries such as chemicals, textiles, automotive industry and supporting industry in Viet Nam.

6.3. Facilitating Digital Transformation and Industry 4.0

Ministers confirmed the importance of promoting further cooperation in digital technology application and transfer as well as smart production between Vietnamese and Japanese enterprises. Ministers hailed their joint efforts to adopt new digital technologies and enhance start-ups participation, especially by leveraging on public and private collaboration on digital transformation, such as a new online-based cooperation program initiated by Japan External Trade Organization (JETRO) and other Viet Nam’s relevant agencies. Recognizing the indispensability of advancing industry 4.0 development so as to improve the competitiveness of various industries, both Sides confirmed the importance of sharing experiences and developing policy framework to promote 4.0 industry development.

TRADE COOPERATION

6.4. Promoting economic integration in Asia-Pacific

Noting their shared concerns that protectionism is exacerbated by the challenges posed by COVID-19, Ministers reaffirmed that they will continue to work towards delivering a free, fair, non-discriminatory, transparent, predictable and stable trade and investment environment, to keep markets open, and to uphold the rules-based multilateral system under the framework of WTO agreements. Ministers reaffirmed their commitment to promote economic integration in the Asia-Pacific region, while concurred on mutually supporting and closely coordinating in multilateral frameworks of economic and trade cooperation that two countries are members. Ministers reaffirmed their commitment to sign the RCEP Agreement this year and emphasized that the RCEP remains open for India.

6.5. Strengthening business matching and experience sharing

Ministers confirmed the necessity of sharing experience and information exchange on market trends in the context of the COVID-19 pandemic especially for small and medium businesses through online conferences and workshops, as
well as promoting online B2B business matching activities including through a digital platform between businesses of the two countries, in order to boost bilateral trade.

6.6. Promoting trade infrastructure development

Ministers recognized the ongoing initiative of private sector to streamline trade procedures through building a digital trade platform, in which companies can exchange their trade-related documents digitally, leading to contribute to further sophistication of regional supply chains. Recognizing the importance of improving efficiencies of production and distribution management, Ministers expressed their expectation for closely coordinating, encouraging and supporting Japanese enterprises to invest in logistics and distribution infrastructure development and modernization in Viet Nam.

Ministers also recognized the importance of data free flow with trust for consumer and business objectives to facilitate digital trade and digital business platforms, including international rule-making on trade-related aspects of e-commerce at the WTO, under the Osaka Track.

6.7. Strengthening cooperation in enhancing trade management capacity

Recognizing the successful cooperation in enhancing trade management capacity, Ministers envisioned for a closer cooperation in sharing experience and capacity building in enhancing trade management capacity of Vietnam.

ENERGY COOPERATION

6.8. Ensuring resilient energy system

Ministers reaffirmed the importance of resilient energy system with stable supply of affordable and clean energy that supports economic activities, and the utilization of all energy sources and technologies, amid the outbreak of COVID-19. Both Sides shared the view that the Nghi-Son Refinery Project is very important for both countries and agreed that both governments continue paying attention to the project in order to support the smooth sailing of the project based on the mutually agreed conditions. Both Sides also expressed the need to strengthen cooperation through the following activities which was also discussed
in detail at the Energy Working Group on 6 August 2020:

(a) Diversifying energy sources, including the utilization of renewable energy and clean and highly efficient coal technology in line with the actual condition of a country to achieve effective de-carbonization.

(b) Enhancing cooperation in the fields of Oil and Gas in upstream cooperation, such as gas exploitation and LNG value chain building including through LNG receiving thermal project, and downstream cooperation to strengthen energy security of both countries.

(c) Promoting energy policies meeting growing energy demand along with the economic growth in harmony with the environment, including energy efficiency, smart grids, renewable energy hydrogen, CCUS (carbon dioxide capture, utilization and storage) and carbon recycling.

(d) Strengthening cooperation on global challenges including climate change issues, sharing the importance of realistic and sustainable energy transitions in consideration of economic development stages and geographical characteristics at multilateral-meetings including ASEAN+3, EAS and APEC.

(e) Continuing effort to mobilize private finance and investment for energy infrastructure projects and developing free and competitive energy market in the Indo-Pacific region through the multilateral frameworks.

7. Further consideration

Both Ministers instructed officials of the two Ministries to discuss and finalize in coming months a plan to take concrete actions on Trade, Industry and Energy cooperation between the two Ministries with a view to effectively implementing the contents exchanged and mutually agreed by both Sides at this Fourth Joint Committee meeting or the subsequent bilateral dialogues at the working level.