

**JOINT MINISTERIAL STATEMENT
OF THE SIXTH MEETING OF THE JOINT COMMITTEE
ON COOPERATION IN INDUSTRY, TRADE AND ENERGY**

BETWEEN

**THE MINISTRY OF INDUSTRY AND TRADE
OF THE SOCIALIST REPUBLIC OF VIET NAM**

AND

THE MINISTRY OF ECONOMY, TRADE AND INDUSTRY OF JAPAN

3rd November 2023

1. H.E. Mr. Nguyen Hong Dien, Minister of Industry and Trade of Viet Nam and H.E. Mr. Nishimura Yasutoshi, Minister of Economy, Trade and Industry of Japan co-chaired the Sixth Meeting of the Joint Committee on Cooperation in Industry, Trade and Energy (JC) in Hanoi on 3rd November 2023.

2. At the Sixth Meeting of the Joint Committee, Ministers expressed satisfaction with significant achievements since the Fifth JC Meeting, including on-going bilateral cooperation in the areas of industry, trade and energy. Ministers reaffirmed important roles of the JC mechanism in removing business obstacles, ensuring stability and continuity of further trade and investment development.

3. Furthermore, Ministers discussed ways for Viet Nam and Japan to cooperate in: promoting trade and investment; enhancing supply chain resilience; developing the digital economy; developing renewable energy and low carbon emissions; accelerating industrialization in Viet Nam.

Based on the above-mentioned understanding, Ministers confirmed the following directions of bilateral cooperation in each field:

INDUSTRY COOPERATION

Ministers recognized the importance of Japan and Viet Nam in leading regional and global economic growth through cooperation in industrial technological innovation, maintaining connectivity throughout the supply chain.

In addition, Minister Nguyen Hong Dien emphasized Japan's role in supporting Viet Nam to promote industrialization and modernization, especially when the two Sides

cooperated to implement Viet Nam's Industrialization Strategy within the framework of Viet Nam - Japan cooperation towards 2020 with a vision to 2030.

With that, Ministers confirmed they would focus on the following endeavors:

4.1. Deepening cooperation to strengthen supply chain resilience

Ministers affirmed that Viet Nam was an important part of global supply chain of Japanese companies and that both countries would work together to strengthen resilience of supply chain towards post-pandemic economic recovery. In this regard, Minister Nishimura expressed his gratitude to the Government of Viet Nam and the Ministry of Industry and Trade of Viet Nam for their supports to the stable operation of Japanese companies during and after the spread of new coronavirus.

Ministers also affirmed the importance of in-depth discussion between the public and private sectors, thereby providing the most effective solutions and policies to strengthen supply chain linkages more closely and sustainably.

To enhance the resilience of the supply chain, Ministers agreed to promote investment by Japanese companies, cooperation between companies of the two countries and continue to work toward promoting supply chain resilience and sophistication through means such as supply chain diversification subsidies, Program for Upgrading Supply Chains through Digital Technology and Asia Digital Transformation (ADX) Promotion Program. Both sides also agreed to establish many channels of dialogue and discussion between the public and private sectors to promote these activities. Regarding this issue, Minister Nguyen Hong Dien said that the Viet Nam Government is committed to continuously improving the investment environment, creating favorable conditions for foreign investors in general and for Japanese investors/enterprises in particular.

The Ministers recognized the ongoing efforts of the private sector to streamline trade procedures and welcomed further upgrading of the regional supply chain through the establishment of a "trade platform" where enterprises can digitally exchange trade related documents while ensuring their security.

4.2. Strengthening industrial competitiveness through digital technology

For the purpose of supporting businesses of the two countries to deeply participate in the Viet Nam - Japan supply chain, both Sides agreed to consider cooperation in building standards for each manufacturing industry that Viet Nam and Japan are interested in (chemicals, rubber, minerals, precision machinery, electronic components, textiles and garments) to select businesses into this chain.

Both Sides agreed to consider cooperation in facilitating Japanese businesses to invest and shift production supply chains to Viet Nam, especially supporting industries and other key industries, taking into account Viet Nam's intention to turn some typical Viet Nam's cities into "Silicon Valley in ASEAN".

Both Ministries confirmed that they would promote further cooperation to encourage innovation utilizing digital technology. In this regard, both ministers recognized the important role of collaboration between start-ups in Japan and Viet Nam.

4.3. Developing supporting industries

Ministers expressed their expectations for the advancement of business-to-business cooperation, contributing to the development of Viet Nam's supporting industries within the framework of the Japan – Viet Nam Technology Innovation Cooperation Partnership.

Ministers also affirmed Both Sides will continue their efforts to develop Viet Nam's supporting industries through implementing programs such as human resources training, production improvement with applying digital transformation, and strengthening connectivity, and innovation.

4.4. Strengthening human resource cooperation to improve industrial capacity and competitiveness

Minister Nguyen Hong Dien highly appreciated Japan's technical cooperation in industrial human resource development to improve Viet Nam's industrial competitiveness, while creating opportunities for Viet Nam's highly skilled labors to work at Japanese companies in Asia as well as in Japan.

Ministers welcomed Japan's continuous contribution to human resource development through industrial training programs, expert dispatch programs and specific skills training programs. Japan takes note of Viet Nam's intention to train engineers for electronic chip manufacturing.

Ministers expressed their support for efforts by regional METI bureaus to develop human resources such as fostering coordinators between Japanese and Vietnamese companies.

4.5. Strengthening cooperation in the automobile sector

Ministers acknowledged: the achievements of the Viet Nam - Japan Automobile Working Group for actively coordinating to implement the Action Plan in the field of automobile industry and supporting industries; results of SME Promotion & Industrial Development projects implemented by JICA; positive results from the "Training for Viet Nam's auto parts manufacturers" program co-organized by the

Association for Overseas Technical Cooperation and Sustainable Partnerships (AOTS) and IDC Center (Department of Industry). Minister agreed to continue promoting the effective implementation of these cooperation programs.

Both Sides agreed to maintain information exchange and sharing experiences and policies of the two Sides on environmentally friendly vehicles.

4.6. Promoting industrialization in Viet Nam

Ministers agreed to establish a working group to periodically discuss important and necessary issues to develop future oriented co-creation projects, enhance the resilience of the Viet Nam - Japan supply chain, to promote Viet Nam's industrialization, in which encouraging Japanese and Vietnamese enterprises to cooperate in forming business alliances.

Emphasizing the essential role of the legal framework for the development of Viet Nam's industries, Minister Nguyen Hong Dien proposed the Ministry of Economy, Trade and Industry of Japan to share experiences and help the Ministry of Industry and Trade of Viet Nam to draft and implement laws and policies on industry development, especially for industries platform including automobile, mechanics, electronics, materials and supporting industries.

4.7. Commemorating the 50th Year of Friendship and Cooperation between ASEAN and Japan

Ministers confirmed that they will work together to strengthen cooperation further and advance to the next stage by realizing the "ASEAN-Japan Economic Co-Creation Vision" and the "Future Design and Action Plan of Innovative and Sustainable ASEAN-Japan Co-Creation 2023-2033" that will guide the economic relations between ASEAN and Japan.

TRADE COOPERATION

5.1. Promoting trade exchange

Noting that the regional and world situation is currently volatile and the world economy is in a slow recovery, and this may negatively impact the growth of Viet Nam - Japan trade turnover, Ministers agreed to regularly discuss to encourage and create more favorable conditions for the private sector, including digital sector; strengthen trade activities, trade promotion, and delegation exchange; utilize the advantages from free trade agreements that the two countries are members.

The Ministry of Industry and Trade of Viet Nam strives to create an attractive environment to encourage Japanese businesses to continue as well as expand investment in the fields of industry and energy, making an important contribution to promoting bilateral trade.

They reaffirmed their continued efforts to provide a free, fair, non-discriminatory, transparent, predictable and stable trade and investment environment and open markets, and to maintain a rule-based multilateral trading system under the framework of the WTO Agreement. They also committed to the success of the 13th WTO Ministerial Conference (MC13) scheduled to be held in Abu Dhabi, United Arab Emirates in 2024.

5.2. Promoting economic integration in the Asia - Pacific region

Ministers agreed that the two Sides will continue to coordinate closely in implementing new generation Free Trade Agreements such as Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), Regional Comprehensive Economic Partnership (RCEP) Agreement, and discuss more deeply about Indo-Pacific Economic Framework for Prosperity (IPEF).

CPTPP

Ministers welcomed ratification and entry into force of the CPTPP for Chile and Brunei Darussalam in 2023, marking the Agreement's entry into force for all original signatories. Ministers also welcomed the United Kingdom as the first economy to accede to the CPTPP through a robust process under the chairmanship of Japan as chair at the Accession Working Group, which has ensured that the high standards of the Agreement are maintained.

Ministers agreed that the expansion of the CPTPP should be based on maintaining the high standards of the Agreement, as well as the experiences that CPTPP members have learned from the UK's accession process. The two Sides will continue coordinating closely and actively with other CPTPP members in the process of considering accession requests from other economies, in accordance with the common understanding at the TPP Commission meeting in July this year that CPTPP is open to economies which are ready to meet the high standards of the Agreement and with a demonstrated pattern of complying with their trade commitments.

RCEP

Ministers reaffirmed the importance of implementing the RCEP Agreement in a transparent manner with a view to ensuring that all segments of society can clearly see the benefits of the Agreement.

IPEF

Ministers expressed their satisfaction at the positive results achieved by IPEF member countries in substantially concluding the negotiations under Pillar II on

Supply Chain, aiming to complete domestic procedures for signature; at the same time, Ministers agreed to coordinate closely and constructively with member countries in the negotiations of the remaining Pillars to build an IPEF framework that is flexible, inclusive and of high standards, taking into account differences in institutions, practices, and development levels among member countries.

5.3. Developing digital economy

Ministers emphasized that digital economic development plays an important role in the country's economic development, which is also an inevitable trend of the 4.0 Industrial Revolution. The Japanese Side continues to coordinate closely and is ready to share information and experience to support Viet Nam in developing policies in this field, especially to facilitate and ensure safety in e-commerce development.

5.4. Promoting trade

Ministers agreed that the two Ministries will support Vietnamese and Japanese businesses to carry out more trade promotion activities, including organizing fairs, exhibitions, business matching events, in each country.

ENERGY COOPERATION

6.1. Minister Nishimura welcomed Viet Nam's approval of Power Development Plan VIII, moving towards the transition to clean energy by becoming one of the first countries in the world to commit to participating in the Just Energy Transition Partnership (JETP). This is also an important legal basis to create favorable conditions for foreign investors, including many large businesses from Japan, to invest in the energy sector in Viet Nam.

6.2. Ministers welcomed the cooperation under the Asia Zero Emission Community (AZEC) and AZEC/GX Promotion Working Team in Hanoi, which is the first country after the launch of AZEC to inaugurate a framework in which the Japanese public and private sectors and the government of the partner country hold deliberations in the country.

6.3. Ministers highly appreciated the efforts of the Ministries' functional units to coordinate research and develop a draft Memorandum of Cooperation between the Ministry of Industry and Trade of Vietnam and the Ministry of Economy, Trade and Industry of Japan on energy transitions, in order to support Viet Nam to concretize an energy transition roadmap and to support human resources development towards Viet Nam's carbon neutrality through Asia Energy Transition Initiative (AETI). In

this regard, ministers instructed their respective functional units to accelerate the process.

6.4. Ministers confirmed that the Fifth Meeting of Viet Nam - Japan Energy Working Group was successfully held in February 2023 and agreed to continue support the energy cooperation transition roadmap of Viet Nam at subsequent meetings of Viet Nam - Japan Energy Working Group, including mid-term meetings.

6.5. Realizing the importance of LNG as a transition fuel to ensure a stable and safe energy supply, Ministers affirmed that the two sides will continue to support Japanese businesses in implementing investment projects as well as participating in the LNG electric gas market in Viet Nam comply with Viet Nam's laws and regulations. Ministers also expressed their hope that businesses will continue to promote technology and human resource training cooperation in developing the LNG's sector in Viet Nam.

6.6. Ministers acknowledge the importance of decarbonizing industries at supply chains and industrial parks level in order to maintain their competitiveness at the global market and jointly supports industries' actions toward carbon neutrality through providing enablers such as human resources, finance and institutions such as Direct Power Purchasing Agreement (DPPA) mechanisms.

6.7. Ministers welcomed more than 20 years cooperation in coal sector and reaffirmed their commitments to the stable anthracite production and supply between two countries.