

**VIET NAM – JAPAN COOPERATION
IN INDUSTRY, TRADE AND ENERGY**

FACT SHEET

3rd November 2023

1 INDUSTRY COOPERATION

1-1 Enhancing efforts to strengthen supply chain resilience

1-1-1 Enhancing supply chain diversification

Both Ministries affirmed the importance of strengthening and sustaining supply chain linkages between both countries by continuing to encourage and support the diversification of overseas production bases for goods and materials to realize a more flexible supply chain for post-pandemic economic recovery. To achieve this goal, both ministries expressed their expectations for cooperation between Japanese and Vietnamese enterprises, and affirmed that both Japan and Viet Nam would work together to create a more favorable environment for Japanese businesses expand investment in Viet Nam.

1-1-2 Promoting supply chain resilience by utilizing digital technology in collaboration of companies of both countries

Both Ministries confirmed that under the rapid changes in the global business environment, securing visibility in supply chain and enhancing risk-responding capacity by utilizing digital technology is very important. Both Ministries encouraged further discussions among private and public sectors, and work toward creating best practices for structuring a resilient and competitive supply chain that fully utilizes data.

1-1-3 Organizing regular meetings to prevent supply chain disruptions

To implement the Memorandum of Cooperation on Prevention of Supply Chain Disruptions (signed in April 2022), both Ministries held regular meetings in 2022 and 2023. Both Ministries confirmed to continue discussions and cooperation towards supply chain resilience.

1-2 Strengthening industrial competitiveness through digital technology

1-2-1 Japan-Vietnam DX Business Collaboration

Both Ministries confirmed that they would further promote investment and trade

by encouraging collaboration between Japanese and Vietnamese companies in such fields as digital and green transformation through the J-Bridge and other digital platforms.

1-2-2 ADX demonstration projects

Both Ministries confirmed that they would promote further cooperation in business co-creation projects between Japanese and Vietnamese companies using digital technology and other innovations under the Asia-Japan Investing for the Future Initiative (AJIF).

1-3 Promoting cooperation in fostering supporting industries

1-3-1 Business Matching

The Japan External Trade Organization (JETRO) confirmed that it would continue to work on fostering Vietnam's supporting industries through parts procurement exhibitions and business matching events. Viet Nam Trade Promotion Agency of MOIT coordinated with JETRO to successfully organize the 10th Viet Nam - Japan Supporting Industry Exhibition and the 14th Viet Nam Manufacturing Expo (VME) in Hanoi in August 2023.

1-3-2 Cooperation in Automobile area/ Automobile Working Group

Both Ministries confirmed that they would continue to discuss issues of mutual interests in the automobile sector in the Japan – Viet Nam Automobile Working Group, including fostering supporting industries.

Since the Fifth JC Meeting, the Viet Nam - Japan Automobile Working Group has actively coordinated to implement many activities according to the Cooperation Action Plan in the field of automobile industry and supporting industries. Vietnamese businesses participating in the programs all recorded positive benefits and had many outstanding improvements. The two Sides agreed to continue promoting the implementation of the Working Group's activities in the coming time.

2 TRADE COOPERATION

2-1 E-commerce and digital trade

Both Ministries agreed to maintain information exchange on each country's policies in the field of e-commerce and digital economy through “Policy Dialogue Programs on E-commerce and Digital Economy” organized annually.

Both Ministries agreed to continue coordination in promoting digital transformation between Japanese and Vietnamese businesses under the Asia Digital Transformation Project (ADX) of METI.

2-2 Trade promotion

MOIT and JETRO cooperated in organizing a number of events for enterprises especially in supporting industries in the first half of 2023.

Both Ministries agreed to continue coordination in organizing seminars, dialogues and business matching events for companies in many fields.

2-3 Bilateral trade turnover

In the context that Viet Nam – Japan bilateral trade turnover has been on a downward trend recently, both ministries to have discussion on bilateral trade turnover, taking into account investment trends and other relevant factors.

3 ENERGY COOPERATION

3-1 Viet Nam – Japan Energy Working Group

Both Ministries agreed to continue implementation of activities of the Viet Nam - Japan Energy Working Group in the coming time.

3-2 LNG

Both Ministries acknowledged the importance of LNG as a transition fuel to ensure stable and safe energy supply for achieving both goals of post-pandemic economic recovery and reduction of greenhouse gas emissions. MOIT will continue to support Japanese businesses in implementing investment projects as well as guide businesses in following legal regulations to be able to participate in the LNG electric gas market in Viet Nam.

Both Ministries agreed to continue coordination in sharing experiences, organizing training courses for MOIT officials in the field of LNG, especially for the development and operation of LNG thermal power plants, contract output and technical standards for operating LNG power plants.

3-3 Block B Gas field

For the Block B project, MOIT has been supporting the project's stakeholders to complete investment procedures in accordance with Viet Nam's laws and regulations.

3-4 Energy transition sector

Ministers acknowledged to proceed Japan and Viet Nam projects such as offshore wind power and biomass co-firing/mono-firing, and to support MOIT in the process of energy transition towards sustainable development.

- offshore wind power: Ministers consented to support the wind and geological survey application to MONRE by Japanese and Vietnamese companies to identify suitable site.

- biomass: Ministers welcomed to proceed the biomass co-firing in thermal power plants project towards carbon neutrality.

3-5 Energy efficiency sector

The Energy Conservation Center, Japan (ECCJ), entrusted by METI, organized face-to-face and online training programs on net-Zero Energy Buildings (ZEB) and other topics on energy efficiency for Viet Nam government officials.

Both Ministries agreed to continue cooperation in organizing training programs on energy efficiency for Viet Nam government officials.

3-6 Decarbonization efforts at industrial parks and supply chain level

Both Ministries welcomed the industrial park developer's effort to decarbonize their tenants to through providing green electricity and improve productivity.

Both ministries recognized the Japanese firm's high interests of utilizing new policies such as DPPA to accelerate their decarbonization efforts at industrial park as an aggregated demand, and MOIT will support the Japanese businesses to update the new policies through the participation in the workshop.

3-7 Coal

Joint coal resource survey and exploration in order to assess the geological structures, coal resources and economical possibility started in 1998. The two countries have conducted 6 projects in Viet Nam. The MOU between Japan Organization for Metals and Energy Security (JOGMEC) and the Vietnam National Coal-Mineral Industries Group (VINACOMIN) updated on March 6th 2023 to conduct the project in Quang Ninh Province, which produce anthracite.