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# E-MAIL MAGAZINE

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## 1. DISPATCH OF AN ECONOMIC MISSION LED BY CHAIRMAN OZAKI TO MYANMAR- OCCI MISSION ASKS FOR YANGON'S SUPPORT TO SMALL AND MEDIUM-SIZED OSAKA COMPANIES EYING BUSINESS IN MYANMAR DURING A MEETING WITH THE YANGON REGION CHIEF MINISTER; THE OCCI SIGNS A NEW MOU WITH THE UMFCCI –

The Osaka Chamber of Commerce and Industry (OCCI) dispatched an economic mission to Yangon, the former capital of Myanmar currently prospering as a commercial city, from Nov.21 to Nov.24 to explore ways to tap the Myanmar market, dubbed "Asia's last frontier". The 13-member mission included Masashi Hashimoto, Chairman of the OCCI International Business Committee, and Keiichi Hasegawa, Chairman of the OCCI Human Resources Development Committee, Tsutomu Miyagi, OCCI President as well as OCCI Chairman Hiroshi Ozaki.

The delegation visited the Thilawa industrial complex, a special economic zone which opened in September 2015 as a joint venture between Japanese trading houses and the Myanmar government.



The delegation was briefed about the latest operations of Japanese companies in the industrial complex, which represent about half of the 79 companies that have so far concluded contracts to do business there. The delegation also received a briefing about the future development plan for the industrial complex. Later, the OCCI mission took a first-hand look at factories operated there by two Osaka-headquartered member companies -ACECOOK Myanmar Co., Ltd. and RK Yangon Steal Co., Ltd.

On the following day, the delegation held talks with Yangon Region Chief Minister U Phyo Min Thein, marking the second time that OCCI Chairman Ozaki has met him on Sep. 8. Based on the current situation in Myanmar, OCCI Chairman Ozaki told the Chief Minister that advancement into the Southeast Asian country of small- and medium-sized companies with technological expertise is crucially important for the development of Myanmar's supporting industry. The Chairman specifically asked for the Yangon Region's authorities to take measures aimed at creating business environment where Japanese SMEs can easily advance into Myanmar by small-scale rental factories. The Chief Minister of the Yangon Region replied that the region will implement measures to enable small-and medium-sized companies from foreign countries to decide their business investment, making use of reasonable rental factories.



The delegation then held talks with Zaw Min Win, the newly elected President of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI), and other executives of UMFCCI member companies. During the meeting, the OCCI and the UMFCCI signed a memorandum of understanding(MOU) on new business partnership between the two parties. Included in the MOU were a host of measures aimed at helping Japanese companies based in Osaka/Kansai regions, and Myanmar companies, to enter into each other's country. The MOU also featured measures by the OCCI to support the development of human resources in Myanmar.



As for the development of human resources in Myanmar, deemed essential for the country's economic growth, an Osaka educational institution, two technological universities in Myanmar and a Japanese company operating in Myanmar to foster human resources in the country held a signing ceremony to mark the formation of their alliance on developing human resources. The alliance, for which the OCCI will serve as a coordinator, includes a scheme in which excellent Myanmar students in engineering will be able to study in Osaka with the eventual aim of taking jobs at Japanese companies.

The number of companies which were registered with the Japan Chamber of Commerce and Industry, Myanmar has exceeded 300, representing a more than six-fold increase in the past five years. An increasing number of companies have begun operating in the Thilawa Special Economic Zone since its opening. Under these circumstances, a plan is under way to expand the size of the industrial complex by about 100 hectares. The industrial complex has been growing at an accelerated pace not seen in other industrial complexes in Southeast Asia, an official at the Thilawa Special Economic Zone was quoted as saying.

Interviewed by Japanese national television about the latest OCCI delegation to Myanmar, Chairman Ozaki said in the Southeast Asian country that it is necessary for Osaka-based companies to absorb the "energy" being felt in China and Southeast Asia. The OCCI will disseminate necessary business information to member companies in an accurate manner and will play a mediator role in helping them branch out into the Myanmar market, Ozaki was quoted as saying.

The OCCI will accelerate support to enable Osaka companies to start business in Myanmar.

## **2. 10TH MEETING OF THE LEADERS OF JAPANESE AND SOUTH KOREAN CHAMBERS OF COMMERCE AND INDUSTRY HELD IN INCHEON, WITH OCCI VICE CHAIRMAN NISHIMURA DELIVERING A SPEECH**

The leaders of Japanese and South Korean chambers of commerce and industry met in Incheon, South Korea, on Nov. marking the 10th meeting of their leaders. The Japanese delegation was composed of 24 members, including Japan Chamber of Commerce and Industry (JCCI) Chairman Akio Mimura and Teiichi Nishimura, Vice Chairman of the Osaka Chamber of Commerce and Industry (OCCI).

The 16-member South Korean delegation included Korea Chamber of Commerce and Industry (KCCI) Chairman Yongmaan Park.



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JCCI Chairman Mimura told the South Korean side that it is important for Japanese and South Korean businessmen to boost their regular exchanges in view of the expected further aging of society and declining child birthrates in both countries, and at a time when innovation and structural reform are expected to advance irreversibly. In reply, Seoul Chamber of Commerce and Industry Vice Chairman Zhi said that the two Olympic Games being held in Northeast Asia - the 2018 Winter Olympics in Pyeongchang and the 2020 Summer Games in Tokyo - will provide the two Asian cities with good opportunities to enhance mutual cooperation in attracting international tourists.

The 10th meeting of the leaders of Japanese and South Korean chambers of commerce and industry also discussed how they can enhance collaboration in new industries such as Internet of Things (IoT), big data and AI, and exchanged opinions on their future prospects. Referring to recent developments in the relationship between Osaka and South Korea, OCCI Vice Chairman Nishimura said in a speech that private-sector exchange between Japan and South Korea has been enjoying a favorable wind thanks to firm inbound demand, especially from South Korea, against the background of the upgraded airline networks of low-cost carriers (LCC). Nishimura also said that for Japan and South Korea to promote their economic exchange more effectively, it is necessary to work together in industrial sectors that are likely to lead to win-win results for both countries, including the sector catering to the needs of elderly people. Nishimura also explained the Entrepreneurial Museum of Challenge and Innovation, a museum set up by the OCCI in the early 2000s to display 105 Osaka entrepreneurs who played a pivotal role in supporting Japan's rapid growth during the Meiji Period. He also explained a successful investment case involving a South Korean company, which was able to begin business in Osaka recently with the support of the Osaka Business and Investment Center, better known as O-BIC.

### **3. REPORT ON A BUSINESS MISSION TO EAST AFRICA - VISITS TO KENYA AND TANZANIA (NOV.1-)**

The Osaka Chamber of Commerce and Industry (OCCI) and the Japan External Trade Organization (JETRO) dispatched a joint business mission to East Africa for nine days from Nov.1 to Nov.9. The delegation consisted of 10 people who are interested in starting business in Africa. They are corporate administrative officers and corporate executives working for pharmaceutical, IT and software companies. The mission visited three African and Middle Eastern cities - Dubai, the United Arab Emirates (UAE), Dar es Salaam, Tanzania, and Nairobi, Kenya.

Dubai is seen as the gateway to the African market due to its geographical location, airline linkages and business conditions. In fact, many Japanese companies have set up business outlets in the Middle

Eastern city, which is expected to continue to serve as a relay point for companies planning to launch business in Africa.

The newly inaugurated Tanzanian government has focused on winning trust from the international community by curtailing the number of public servants and implementing measures to improve the business environment, such as introducing competitive bidding and ensuring punctuality of people in business, including the president. Coffee production, a significant aspect of Tanzania's economy, and mineral resources are seen as providing business opportunities for Japanese companies because these products have yet to be tapped by them.

Kenya is supposed to play a key role in leading East African countries. The African country has attracted increased attention from business corporations around the world following the holding in the city in August this year of Tokyo International Conference on African Development (TICAD)-VI under the sponsorship of the Japanese government. Companies are pinning high hopes on a new industrial complex being built near Mombasa port in Kenya, a famous port in East Africa. The Kenya Investment Authority told the joint OCCI-JETRO mission that Nairobi is a business hub of East Africa and human resources available in the city are of the highest quality in Africa. Foreign companies' investment in Nairobi, including that from Japanese companies, has been growing steadily, the Kenya Investment Authority also said, asking Japanese companies to set up trading bases in Kenya to ship their products to the rest of Africa. The authority also told the Japanese mission that it has been providing necessary business and investment information to potential Japanese investors while helping them obtain business licenses.



#### **4. DISPATCH OF A BUSINESS MISSION TO NORTH AMERICA FOR THE HYDROGEN AND FUEL CELL BUSINESS (NOV.13-)**

The Osaka Chamber of Commerce and Industry (OCCI) and the Kansai Bureau of Economy, Trade and Industry (METI-KANSAI) dispatched a business mission to three North American cities (Washington DC, Vancouver and Los Angeles) from Nov.13 to Nov.20 jointly with the Osaka Prefectural Government.

The mission was led by Naokazu Kumagai, Executive Officer of Hitachi Zosen Corporation. Participated in by a total of 15 persons working for eight Kansai-based companies related to the hydrogen and fuel cell business, the mission explored the possibility of applying Japan's hydrogen and fuel cell technologies to the fuel cell business in North America.

During its stay in Washington D.C., the mission visited the Department of Energy (DOE) where delegation members shared information with department officials on efforts being made by Japan and the United States to commercialize hydrogen energy and issues that should be resolved to diffuse hydrogen energy. The meeting at the DOE was also attended by a representative of the U.S. Department of Commerce "Select USA Program", with which the OCCI formed a partnership in February this year. The representative briefed the OCCI on the service in which industry-by-industry business information is provided to foreign companies to promote direct investment in the United States.

In Vancouver, the delegation received briefing from the provincial Government of British Columbia regarding efforts being made in the province to promote environment-friendly fuel cell businesses. The mission later held talks with the Canadian Hydrogen and Fuel Cell Association. An official of a major carmaker which participated in the meeting said that innovation and improvement are necessary for the EV and FCV industries in all aspects, including functionality, cost, materials, manufacturing technologies, and research and development, because EV and FCV are industries that have yet to mature. The official also said his company expects to receive proposals for improvement measures from the supply side as the delegation did during its trip to North America.



On Nov. 17, the delegation visited Ballard Power Systems Inc., a major fuel cell producer, and took a first-hand look at its backup power source system and production of fuel cell stack modules. Delegation members test-rode a fuel cell bus developed by Ballard Power System.

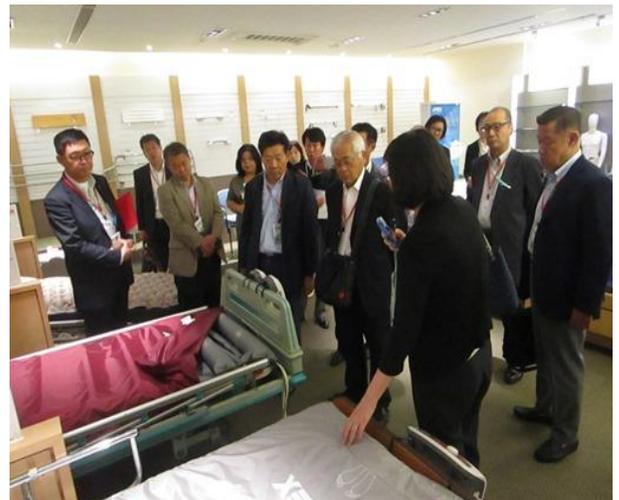
In Los Angeles in the state of California, the delegation visited a hydrogen station, followed by an exchange meeting with member companies of the California Fuel Cell Partnership (CaFCP). At the meeting, Japanese companies and CaFCP member companies presented their fuel cell business and relevant technologies to each other. The state of California has adopted the world's most stringent regulations on the emissions of automobile exhaust gas, a situation that has spurred efforts there to diffuse EVs and FCVs.

The mission's chief Kumagai said that in the Kansai region, including Osaka, there are a large number of companies which are competitive in the fields of EVs and FCVs. It is important for these companies to launch their business in North America using their technologies and join efforts with North American-based companies to expand the size of the EV and FCV markets, Kumagai added. The OCCI plans to send another mission to Europe (Britain and Germany) in February 2017.

## **5. DISPATCH OF A BUSINESS MISSION TO TAIWAN TO TAP ELDERLY PEOPLE'S MARKET - MEETING WITH THE THIRD WEDNESDAY CLUB (SAN SAN FE) (NOV. 15-)**

The Osaka Chamber of Commerce and Industry (OCCI) dispatched a business mission to three Taiwanese cities -Taipei, Tainan and Kaohsiung from Nov.15 to Nov.18. The 15-member delegation was led by Nobuo Kuwayama, Executive Councillor and Chairman of the OCCI China Business Committee.

The meeting took place between the OCCI mission and the Third Wednesday Club (San San Fe), with which the OCCI signed a memorandum of understanding (MOU) in March. In a greeting delivered at the meeting, Zheng Shi-Song, an advisor of San San Fe, said medical services and nursing care could be main fields where Japan and Taiwan can work together in the future, given the fact that Taiwan is aging at a speed 1.6 times faster than Japan. Zheng also said he wants to propose a business model in which Japan and Taiwan can join hands in such fields to launch business in China and the ASEAN region.



In reply, Kuwayama, the chief of the Japanese delegation, said the OCCI wants to establish networks that may lead to creation of business opportunities by promoting the exchange with San San Fe and visiting various places in Taiwan.

The OCCI delegation visited Apex Medical Corporation, a medical and nursing care equipment maker in the suburbs of Taipei, Suang-Lien Elderly Center, a large-scale nursing care home operated in New Taipei City by a Presbyterian Church group, and senior care facility, a luxury condominium for elderly people that is operated in New Taipei City by Ruenfu Newlife Copration. The delegation also visited Yuzen Retirement Center, a nursing care home for the elderly which will be operated in Tainan by a major Taiwanese manufacturer and is set to open soon. All these facilities for elderly people are considered well-equipped and satisfactory both on the hardware and software fronts, which led to high occupancy rates there. However, all these facilities are operating in the red, with the losses incurred being covered by the companies that founded them. Under these circumstances, it was

revealed that policy support by authorities is necessary to make operations of nursing-care facilities for elderly people profitable in Taiwan.

The OCCI will continue to support Japanese companies interested in tapping the Asian nursing-care market by hosting inspection tours, study sessions and trade fairs..

## 6. OCCI INTERNATIONAL DIVISION REPORT ON VIP VISITORS

October 31 (Mon.) Mr. Jean-Matthieu BONNEL, Consul-General, Consulate-General of France  
in Kyoto

November 19 (Thu.) Dr. Pham Minh Chinh, Secretariat of the Central Committee of the  
Communist Party of Vietnam, Chairman of the Commission for Party's  
Organization, the Socialist Republic of Vietnam

December 13 (Tue.) Ms. Catherine Maria TAYLOR, Consul-General, Australian  
Consulate-General in Osaka

December 19 (Tue.) Hon. Mr. Niroshan Perera, State Minister of National Policies and  
Economic Affairs, Democratic Socialist Republic of Sri Lanka

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