



[CONTENTS, FEBRUARY 2017]

1. FOREIGN TRAVELERS' VISITS TO JAPAN VIA KANSAI INTERNATIONAL AIRPORT HIT AN ALL-TIME HIGH IN 2016:

OCCI SURVEY ON FOREIGN TOURISTS

2. THE OCCI WILL SPONSOR BUSINESS MATCHING FAIRS FOR OSAKA-BASED COMPANIES AND POTENTIAL

OVERSEAS BUYERS IN TWO MONTHS SUCCESSIVELY (CHINA, THAILAND, VIETNAM)

3. THE OCCI SENT A BUSINESS MISSION TO UK AND GERMANY AND RELEASED A JOINT STATEMENT WITH

THE THAMES VALLEY CHAMBER OF COMMERCE GROUP (TVCC)

E-MAIL MAGAZINE

Issue 110 [February 2017]

1. FOREIGN TRAVELERS' VISITS TO JAPAN VIA KANSAI INTERNATIONAL AIRPORT HIT AN ALL-TIME HIGH IN 2016: OCCI SURVEY ON FOREIGN TOURISTS

The Osaka Chamber of Commerce and Industry (OCCI) issued a press release regarding its latest survey on foreign tourists to Osaka, the sixth of its kind since the initial survey began in 2011. The survey is intended for the OCCI to grasp the shopping patterns of foreign tourists, especially from China, and how they have been treated by retail shops in Osaka. The latest survey was conducted between September 2016 and December 2016, covering shopping districts, shopping associations and underground shopping arcades located not only in Osaka's Minami area (Chuo Ward, Naniwa Ward, Abeno Ward, Tennoji Ward, Nishinari Ward and Nishi Ward) but also the Kita area (Kita Ward). The OCCI received replies from 1,240 retail shops in the two areas, or 23.7% of those which were asked to cooperate with the survey.

The survey showed that in the Minami area, the number of retail shops which reported a decrease in the number of Chinese tourists and sales surpassed the number of those which reported an



increase. Many of the shops that were polled replied that the value and volume of purchases by Chinese tourists have fallen or leveled off from last year, a result indicating that their explosive shopping spree has run its course. Problems faced by the shops when providing service to Chinese tourists included difficulty having themselves understood by Japanese shop officials due to the language barrier and the lack of manners sometimes displayed by Chinese tourists.

It is said that binge shopping by Chinese tourists has now peaked. On the other hand, the number of foreign tourists visiting Japan on international flights into Kansai International Airport is still rising, totaling 12.17 million in 2016, up 21% from the previous year and an all-time high for five years in a row, according to Kansai Airports, which operates the 24-hour airport in Osaka. Furthermore, the number of foreigners who entered Japan by way of the airport came to 6.09 million in 2016, up 21.5% from the previous year and topping 6 million for the first time since its opening in 1994, according to the Osaka Regional Immigration Bureau. This suggests that Japan's inbound travel market is still on the rise.

Kansai International Airport expanded to its second terminal, which opened in 2012, and built a new terminal dedicated to serving travelers who use international flights operated by low-cost carriers (LCCs). The new terminal started operating on January 28, 2017. Under these circumstances, the number of flights to and from Kansai International Airport has been increasing, including flights launched for new routes. Kansai Airports has taken a host of measures to tap the inbound tourist market even further, including a cut in landing fees.

The OCCI will continue to devise and implement projects aimed at spurring foreign tourists to visit the Osaka area, based on the results of the latest survey on foreign travelers.

2. THE OCCI WILL SPONSOR BUSINESS MATCHING FAIRS FOR OSAKA-BASED COMPANIES AND POTENTIAL OVERSEAS BUYERS IN TWO MONTHS SUCCESSIVELY (CHINA, THAILAND, VIETNAM)

The OCCI has been holding Business Matching fairs, inviting foreign companies interested in buying products developed by Osaka-based small- and medium-sized Japanese companies. The first of such fair for 2017 was held at the OCCI on February 16 targeted mainly at Chinese buyers—specifically, Chinese trading companies operating in Osaka for the trading of foods and daily goods, and Chinese electronic commerce (EC) companies specializing in Internet transactions beyond national boundaries. The event saw participation by 35 Osaka companies, which negotiated with 11 Chinese



The Osaka Chamber of Commerce and Industry

buyers. The total of 87 business negotiations took place and 7 of which concluded business contract on the day and many others will be continued for further discussion between both sides. Many inquiries were filed by Osaka-based companies, which are enthusiastic about negotiating with Chinese companies dealing in cosmetics, health foods and infant goods. This indicated that these Osaka companies are strongly interested in starting business overseas in these fields.

This business matching event is free of charge for both sides and furthermore the OCCI arranges interpreters so that their business negotiation go smoothly. One of the features holding this business matching event is to provide Osaka-based companies with good opportunities to exploit overseas sales networks while staying in Osaka.

The OCCI plans to sponsor a similar Business Matching fair for two days next month, inviting to Osaka five (5) Thai companies seeking to trade Japanese foods and three (3) Vietnamese companies eager to deal in Japanese foods, daily goods and cosmetics. More than 50 Osaka-based companies have applied for the trade fair in just about two weeks. The OCCI will continue to support their efforts to tap overseas sales networks by sponsoring the Business Matching fair.

3. THE OCCI SENT A BUSINESS MISSION TO UK AND GERMANY AND RELEASED A JOINT STATEMENT WITH THE THAMES VALLEY CHAMBER OF COMMERCE GROUP (TVCC)

The OCCI, along with the Kansai Bureau of Economy, Trade and Industry, sent a business mission to two European countries (UK and Germany) from February 6 to 12 to study their hydrogen fuel cell markets and build business networks between Japanese and UK companies regarding the hydrogen fuel cell business in UK. The 15-member business mission was headed by OCCI Vice Chairman Minoru Furukawa, who is also Chairman of Hitachi Zosen Corporation.



In UK, the OCCI mission issued a joint statement with the Thames Valley Chamber of Commerce Group (TVCC), pledging to work harder in promoting their partnership, following MOU concluded in 2014. The mission made presentation to 40 UK companies interested in entering the fuel cell business, while working on building their networks. And at the networking, TVCC revealed their plan to dispatch the

business mission to Osaka next Autumn. The delegation also held informal talks with Mr. Ken Skates AM, Cabinet Secretary for Economy and Infrastructure, the Welsh Government, and took a first-hand look at hydrogen-related facilities in Swindon, and shared up-to-date hydrogen information with Mr. Jon Maddy, Director, Hydrogen R&D Center, University of South Wales. Furthermore, the mission interviewed officials of UK companies to hear their opinions regarding how to react to UK's decision to leave the European Union (EU).

In Germany, the delegation visited the National Organization Hydrogen and Fuel Cell Technology (NOW) and the German Association of the Automotive Industry (VDA). The visits were intended for the OCCI to study the latest situation of Germany's fuel cell market and global moves to form alliances on fuel cell vehicles (FCVs) and Power to Gas (PtG), including the Hydrogen Council, created at a World Economic Forum conference (Davos). The mission also researched the environmental measures Germany has taken since the coming into force of the Paris Agreement and how the country has responded to Britain's decision to withdraw from the EU.



There is a wide range of industrial sectors involved in hydrogen energy. Hydrogen energy, seen as a promising next-generation energy, has been put to commercial use both in Japan and abroad. The OCCI aims to network Kansai-based companies wishing to enter the overseas hydrogen and fuel cell markets, and publicize their technological strength to overseas clusters. By doing so, the OCCI will help these Kansai-based companies exploit the overseas hydrogen market and secure competitiveness in the market, consequently to contribute to CO2 reduction activities.



O-BIC as one-stop service center for creating a foothold in Osaka

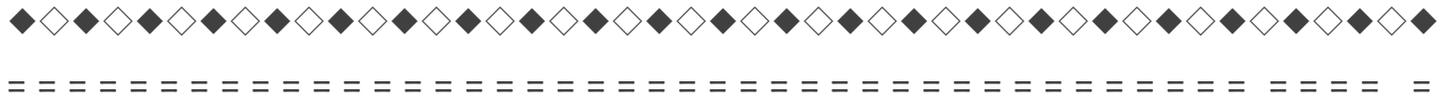
<http://o-bic.net/>

Osaka Business & Investment Center (O-BIC), established in 2001, is operated through the joint efforts of the Osaka Prefectural Government, Osaka City Government, and Osaka Chamber of Commerce & Industry.

As your one-stop service center for business investing, O-BIC provides a

comprehensive yet detailed support system. International companies, foreign government offices and economic organizations as well as foreign-capitalized companies located in Japan are welcome to use the center to obtain accurate information and essential advice for creating a foothold in Osaka.

For further information, please contact: o-bic@osaka.cci.or.jp



◆ Information about scheduled events (in Japanese only)

If you wish to receive information about scheduled events, please visit

<http://www.osaka.cci.or.jp/Jigyousonota/annai.htm>

and submit your subscription request to OCCI Email Station.

Alternatively, please check out information about scheduled seminars and other events on the OCCI's website (in Japanese only).



Chief Editor : Susumu SAITO, Director of International Division, OCCI

Mailed by : Osaka Chamber of Commerce and Industry, International Division

Address : 2-8 Hommachi-bashi, Chuo-ku, Osaka, Japan 540-0029

Tel : +81-(0)6-6944-6400

Fax : +81-(0)6-6944-6293

Contact Persons: Yumiko NAGOSHI (Ms.), Hikaru KOHAMA (Mr.)

Back Numbers of OCCI e-Magazine: <http://www.osaka.cci.or.jp/e/emagazine/>



* Please contact us by email (kohama@osaka.cci.or.jp) to inform us of your change of e-mail address, or of your wishes not to receive OCCI e-Magazine.

The Osaka Chamber of Commerce and Industry

