

38th Joint Meeting of the Japan New Zealand Business Council Chairmen's Summary

The 38th Joint Meeting of the Japan New Zealand Business Council was held in Osaka, from 6 – 8 November 2011, with 106 participants, 68 from Japan (including 19 from Osaka Chamber of Commerce and Industry) and 38 from New Zealand. The opening ceremony included greetings by the Chairmen of both committees, followed by the congratulatory message from Ambassador Mitamura, Ambassador Kennedy, and Mr. Shigetaka Sato, Chairman of the Osaka Chamber of Commerce & Industry.

The keynote address was delivered by Dr. Kazuhito Yamashita, Research Director of the Canon Institute for Global Studies, on the theme of “Prospects of TPP negotiations and Japan / New Zealand”. Dr. Yamashita emphasized the importance of Japan’s participation in the TPP negotiation in order to strengthen the competitiveness of Japan’s agriculture, and to promote the growth strategy at the same time. He advocated that free trade is the core of food security, and proposed that the Japan government change their agriculture policy to improve competitiveness through the promotion of large-scale farming.

In the first plenary session, Mr. Tatsuhiko Yoshizaki of Sojitz Research Institute Ltd. and Mr. Tony Alexander of the Bank of New Zealand spoke on the theme of “Economic Overviews and Prospects”. To begin with, it was pointed out that while the Japanese economy shows some sign of recovery from the aftermath of the East Japan Great Earthquake, the current state is still tough, not warranting prejudgment about where it may head moving forward. On the other hand, Mr Alexander reported that the path for New Zealand could be solid based on factors such as the Christchurch rebuild, farming incomes, and foreign direct investment in the NZ primary sector. However, there are large uncertain headwinds, such as credit availability, tightening fiscal policy, and offshore factors, which may affect the timing of growth in GDP.

The topic of the second plenary session was “Successful Business cases in Japan / New Zealand”. Mr. Hidehiro Yokoo of JETRO introduced three successful cases of collaboration between the two countries which have mutual benefits. For example, cooperation on technology and resource utilisation, as well as seasonality benefits based on the respective geographical differences, were highlighted”. Dr. Sean Simpson of Lanzatech introduced their state-of-the-art gas fermentation technology which captures CO-rich gases and converts the carbon into fuels and chemicals. He explained their development plans and expectations, many of which are currently being realized commercially via a large scale project in China. Mr. Yasuhiro Saito of Fonterra Japan explained their business strategy to expand their dairy product market in Japan based on their 70 years experience, and their focus on customer tastes and speedy product development.

The topic of the third plenary session was “Reconstruction from the Earthquakes”. Speeches were delivered by four speakers: Mr. Atsushi Koresawa of the Asian Disaster Reduction Center, reported on the impact of the earthquake and tsunami in Japan, and the countermeasure of reconstruction by the Japanese government. Mr. Tim Hunter of the Christchurch & Canterbury Tourism, also reported on the impact of the earthquake in Christchurch, the physical and perceptual challenges, and the various measures to develop the city, airport, as well as inbound and domestic tourism. Mr. Yuji Takahashi of Wood One Co., Ltd reported on the impact of the earthquake on the local manufacture of wood products in the Tohoku region, and how the wood manufacturing

industry supported the construction of temporary shelter accommodation based on various lifestyle and livability considerations.

Mr Derek Hopkins of Franklin Group delivered a presentation on behalf of Professor Andy Buchanan of the University of Canterbury. According to Professor Andy Buchanan, timber structures are better in terms of earthquake-resistance, and he proposed that the rebuilding of Christchurch include sustainable, multi-storey timber structures.

In the fourth plenary session based on the theme of “Food / Agriculture, Forestry and Fisheries”, Mr. Naoya Kakizoe of Nippon Suisan Kaisha Ltd pointed out that the supply chain in the fisheries industry was severely damaged by the earthquake, and emphasized that we should aim to achieve sustainable fisheries within the process of future reconstruction in Japan.

Mr. Craig Pettigrew of Charlies, explained their business strategies via the development of the win-win partnership with Asahi Breweries, which includes collaboration on global distribution opportunities and operational synergies in both New Zealand and Australia.

In the fifth plenary session, Mr. Toru Furusawa of JTB Corporation and Mr. Nick Mudge of Tourism New Zealand spoke on the theme of “Tourism”. Mr. Furusawa explained the trends in outbound travel from Japan. He also touched on the outlooks of tourism that more ecological minded products will be developed, and both Japan and New Zealand will lead this field in the Asia Pacific market.

Mr. Mudge explained the impact of the earthquake disasters, as well as the benefits and implications of the Rugby World Cup 2011, on New Zealand tourism. He explained the various joint promotion activities with trade partners and airlines, and the desire to convert “active considerers” from Japan into travelers to New Zealand.

The topic of the sixth session was “New Growing Industries”. Speeches were delivered by Professor Kazunaga Yazawa of the Graduate School of Marine Science and Technology. Professor Yazawa spoke about the Agreement between both Governments on the Cooperation in Science and Technology, and the progression of the joint study in the area of functional foods. He explained his expectations that the study of functional foods will lead to the discovery of new substances that prevent lifestyle-related diseases, such as dementia, and the need for the commercial development of related solutions.

Ms Annelies McClure from the Overseas Investment Office, spoke about New Zealand’s investment laws, the role of the Overseas Investment Office, and provided examples of recent investments by Japanese companies in New Zealand businesses. She stressed that New Zealand is a good country for investment from Japan, and explained the reasons why, such as the deregulated environment, and shortened assessment timeframes.

During this conference, we discussed various important themes relating to New Zealand and Japan in depth. Finally, we wish to thank the Chairs, Vice-Chairs, Speakers, and all the participants in this conference for your contribution, and congratulate you all on making this conference a wonderful success.