

Embassy of Japan in Israel
Newsletter April, 2013

Dear friends & colleagues,

We are pleased to send you the 46th Economic Newsletter.

We would like to share with you the photo below from the Japanese sake promotional event held at the Ambassador's residence on April 24th, organized by the Japanese Embassy and JETRO Tel Aviv office.

While enjoying the top-class brands of sake, the guests were fascinated to learn all about its background. Additional photos and information can be found at: <http://www.israel.emb-japan.go.jp/html/sake2013.html>



Ambassador Sato (Left) and special guest from Japan, Mr. Kuji,
the owner of Nanbubijin (Right)

Embassy of Japan
Economic Section
Yoshinori Omi, Commercial Attaché
Masayuki Azemi, Commercial Attaché
Hideki Kamiya, Agriculture Attaché
Oded Schaffer, Economic Advisor

The Japanese Economy

Monthly economic report – Cabinet Office

The Japanese economy is showing movements of picking up recently, while weakness can be seen in some areas.

- Exports are moderately decreasing recently. Industrial production is showing movements of picking up.
- Corporate profits show signs of improvement, mainly among large firms. Business investment is starting to level off.
- Firms' judgment on current business conditions shows signs of improvement.
- The employment situation shows signs of improvement recently, although some severe aspects still remain.
- Private consumption holds firm.
- Recent price developments indicate that the Japanese economy is in a mild deflationary phase.

<http://www5.cao.go.jp/keizai3/getsurei-e/2013apr.html>

METI prioritises its international activities

Following the publication (April 22) of the 2013 Report on Compliance by Major Trading Partners with Trade Agreements (WTO, FTA/EPAs, and BITs), which addresses the consistency of wide-ranging trade policies and measures of major trading partners with WTO agreements and other international rules, in the following report METI priorities and enumerates the measures it is planning to take in order to solve the main cases of non-compliance, as well as detailing the current status of each policy and measure specified in last year's METI Priorities and actions.

The Compliance Report can be read at –

<http://www.meti.go.jp/english/report/downloadfiles/2013WTO/2013summary.pdf>

Annual Survey of Corporate Behaviour

The objective of this survey, initiated by the cabinet office, is to clarify the actual state of the Japanese economy from the aspect of corporate activities. The survey includes business outlook and demand forecast, exchange rates, prices, growth rate of capital investment, rate of change in the number of employees, ratios of overseas production and reverse imports.

http://www.esri.cao.go.jp/en/stat/ank/h24ank/h24ank_summary.pdf

Plant Factory

211 Plant Factories operate in Japan today. What are they and how do they contribute to the food supply situation?

The plant factory is a facility that aids the steady production of high-quality vegetables all year round by artificially controlling the cultivation environment (e.g., light, temperature, humidity, carbon dioxide concentration, and culture solution), allowing growers to plan production. Thanks to the technology used, it produces more quantity and better-quality produce year-round.

http://www.meti.go.jp/english/policy/sme_chiiki/plantfactory/about.html

The Second LNG Producer-Consumer Conference to be held -The LNG market: Paradigm shift and growth

On September 10, 2013, the Second LNG Producer-Consumer Conference will be held, hosted by the Ministry of Economy, Trade and Industry (METI) and the Asia Pacific Energy Research Centre (APEREC). The conference is to share the latest trends of the LNG market and to carry out in-depth discussions with a view to ensure the stability and transparency of the market and to promote its further growth.

http://www.meti.go.jp/english/press/2013/0426_01.html

Japan-EU Economic Partnership Agreement (EPA)

The first round of negotiations on a Japan-EU Economic Partnership Agreement (EPA) was held in Brussels, Belgium, from April 15 to 19.

At the meeting, the two sides exchanged and shared views on negotiating areas and procedure. At expert-level meetings, discussion took place on trade in goods, services, investment, intellectual property rights, non-tariff measures, government procurement and others.

The next round of negotiations is scheduled for June.

An interesting anecdote – the head of the Japanese side is Mr. Jun Yokota, former ambassador of Japan to Israel.

http://www.meti.go.jp/english/press/2013/0419_02.html

Natural gas & oil

After we reported in last month's newsletter the first production of gas from methane hydrate in Japan, a new development. On April 14, 2013, the Agency for Natural Resources and Energy (ANRE) began a test-drilling survey off the southwest coast of Sado, Niigata Prefecture, as a part of a fundamental project of surveying domestic oil and natural gas resources, aiming to confirm the current state of oil and natural gas in the area.

http://www.meti.go.jp/english/press/2013/0415_02.html

Electricity market reform

On April 2, 2013, the Cabinet decided to approve the Policy on Electricity System Reform. The reform has three purposes: [i] securing the stable supply of electricity, [ii] suppressing electricity rates to the maximum extent possible and [iii] providing consumers with choices as well as business operators with opportunities to expand their businesses.

http://www.meti.go.jp/english/press/2013/0402_01.html

Ten Outstanding Topics of Agriculture, Forestry and Fisheries Research Results, 2012

MAFF and the Agricultural Technology Press Club (including 29 companies, such as agricultural-related specialist papers and magazines related to agricultural technology) chose the ten topics considered to have excellent outcomes and to draw high social interest were selected from all of last year's news articles on agriculture, forestry and fisheries research results, achieved by private sectors, universities, public research institutes and research institutes of independent administrative agencies.

<http://www.maff.go.jp/e/maffud/2013/no744.html>

JETRO's survey on barriers to do business in Japan

The Japan External Trade Organization (JETRO) released the results of its latest survey of foreign firms operating in Japan.

The survey checked for difficulties for foreign companies operating in Japan. Areas included business costs, communication, regulations, business permits and finding human resources.

For a summary and the full report check –

<http://www.jetro.go.jp/en/news/releases/20130417004-news?print=1>