

34th Joint Meeting of the Japan-New Zealand Business Council Chairman's Summary

The 34th joint meeting of the Japan-New Zealand Business Council was held in Tokyo over three days from November 14 to 16, 2007, with a total of 101 participants, consisting of a 58-member Japanese delegation and a 43-member New Zealand delegation. Mr. Toshihiro Takahashi, Japanese Ambassador to New Zealand, and Mr. Ian Kennedy, New Zealand Ambassador to Japan, attended the opening ceremony and each gave a congratulatory address. During the Opening Ceremony, reference was made to a potential meeting between government and business leaders from both countries taking place in Tokyo in May 2008, to be called the Japan New Zealand Partnership Forum, and the Ambassadors both commented that the respective governments were agreeable to such a meeting.

In the first plenary session, under the theme “Business Trends of New Zealand and Japan,” speeches were given on the current business climate in the two countries, as well as on the mutual economic relations. From the New Zealand delegation, Honourable Damien O'Connor, the Minister of Tourism, who has come to Japan to participate in the New Zealand Paradise Week 2007, gave a very focused address. The Minister spoke on the cooperation between Japan and New Zealand in five areas: “Technology,” “Climate Change,” “Food,” “EPA” and “Tourism” as regards to the strengthening of the the bilateral relationship. From the Japanese delegation, Mr. Tatsuhiko Yoshizaki of Sojitz Research Institute, Ltd. spoke on the trends in Japanese business, noting that there are issues such as social divide between regions, while the Japanese economy is slowly but steadily recovering.

In the second plenary session, “Bilateral Tourism Promotion” was discussed with representatives from Japan's JTB Corporation and Toranomon Jitsugyo Kaikan Co., Ltd. as well as New Zealand's Tourism New Zealand, and Air New Zealand giving presentations. It was pointed out that although the number of Japanese traveling to New Zealand has declined in recent years due to rising airfares and other factors, New Zealand is consistently voted as one of the countries that the Japanese would most like to visit. Among the measures suggested to increase the number of Japanese tourists were

stepping up New Zealand's public relations efforts and promoting the country as a destination for school trips, aiming at younger travelers. Explanations were also provided on the image-building strategy of the New Zealand Paradise Week 2007, which takes place following this meeting.

“New Business Developments and Possible Co-operation” was the theme of the third plenary session. The representatives from Oji Paper Co., Ltd., Meiji Seika Kaisha, Ltd and NZ Berryfruit Group delivered their presentations. Chairman Semmoto of EMOBILE Ltd, who intended to be a panelist in the fifth plenary session , spoke at this time due to an unavoidable situation. Chairman Shale of the NZ committee, read the paper describing the efforts generally being taken in New Zealand toward the stable supply of power, on behalf of the representative of Mighty River Power Ltd. who could not come at the last minute, The representative of Oji Paper, reported on new developments in their pulp business. The speakers representing Meiji Seika Kaisha, Ltd. and NZ Berryfruit Group reported on the superiority of blackcurrants produced in New Zealand and the two companies' collaboration on this project to develop blackcurrant-based functional food.

The representative of EMOBILE reported on the potential cooperation in the area of broadband business between the two countries. A participant in the audience commented that it was important to see exchanges regarding cooperation in the area of agriculture between the two countries.

Part two of discussions on “New Business Developments and Possible Co-operation” was held in the fourth plenary session. The representatives from Honda Motor Co., Ltd., Bank of New Zealand, Fuji Television Network Inc. and Overseas Investment Office presented their views. The representative from Honda Motor Co., Ltd. spoke on the current state and future prospects of the automotive business, including environmental issues in New Zealand. The Bank of New Zealand's representative explained the current state of New Zealand's economy, noting that the economy is in good shape despite some concerns about inflation, including the rise in housing prices. The speaker from Fuji Television Network Inc. reported on the current state of the Japanese film industry and also on the company's film business, including their collaboration with New Zealand. The representative from New Zealand's Overseas Investment Office gave a

presentation focusing on the benefits of investing in New Zealand, and the rules to be satisfied in certain cases.

The fifth plenary session featured a panel discussion under the title “Toward the Strengthening of the Japan-New Zealand Relations.” Professor Yorizumi Watanabe of Keio University acted as the moderator, and chairman Yano of Japan committee, spoke in place of Dr. Sachio Semmoto of EMOBILE Ltd. Mr. Graeme Harrison of the International Business Forum, Mr. Ryo Mizuno of the Japan External Trade Organization, and Mr. Philip Turner of Fonterra Co-operative Group Ltd. participated as panelists. Chairman Yano stressed that cooperation in new fields is essential in strengthening relations between the two countries, while Mr. Harrison explained the Japan-New Zealand Partnership Forum as one of the specific measures toward strengthening bilateral ties. Mr. Mizuno spoke on developments taking place around Japan and New Zealand in free trade agreements (FTAs) between various countries, as well as on enhancing collaboration within the East Asian region as a whole. Mr. Turner outlined the advantages of forming a Japan-New Zealand FTA. During the panel discussion it was emphasized that as two countries sharing common values, Japan and New Zealand have a key role to play in promoting the formation of an East Asian Community being proposed by Japan. Furthermore, it was stressed that the two countries must further cooperate to improve the level of understanding of the issues in each country’s business environment required to advance the efforts toward the formation of a Japan-New Zealand FTA.

Through the frank discussions held during this meeting, we were able to reaffirm our belief that Japan and New Zealand are partners bound by true friendship and a deep mutual trust. We clearly owe this strong relationship to the passion and efforts of our predecessors in the two Business Councils. On behalf of all the participating delegates and our Business Councils, we pledge to intensify our efforts to strengthen the ties between Japan and New Zealand, and to encourage both governments to take steps to strengthen the bilateral relationship in both the trade and economic spheres.

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