

The Chair's Summary on the Forum for the Promotion of
Public-Private Cooperation in the Mekong Region
The Third Mekong-Japan Meeting
Tokyo, Japan, 19 February, 2013

February 19, 2013

1. The Government of Japan hosted the 3rd meeting of the Forum for the Promotion of Public-Private Cooperation in the Mekong region in Tokyo, Japan, on February 19, 2013, participated by representatives of public and private sector from Japan, the Kingdom of Cambodia, the Lao People's Democratic Republic, the Republic of the Union of Myanmar, the Kingdom of Thailand and the Socialist Republic of Viet Nam.
2. Mr. Shunichi Suzuki, Parliamentary Senior-Vice Minister for Foreign Affairs, made the opening remarks in which he stressed the importance of economic development in the Mekong region countries as a driving force of global economy and the high priority Japan places on Southeast Asia. Mr. Suzuki emphasized Japan's commitment to the development of the Mekong region and Japan-Mekong cooperation, underlining the need to support the process toward the establishment of ASEAN Community and the development of hard and soft infrastructure in this region, in line with the "Tokyo Strategy 2012 for Japan-Mekong Cooperation" adopted at the Fourth Mekong-Japan Summit. Mr. Suzuki also recognized the contribution by and the potential of Japanese companies in the Mekong region and highlighted the importance of public-private partnership to foster a win-win relationship between Japan and the Mekong region countries.
3. Mr. Kouhei Watanabe, Chairman of the Business Study Committee on Greater Mekong Sub-Region, the Japan Chamber of Commerce and Industry, referred to the very high expectation among Japanese companies for the growth of the Mekong region, underscoring the necessity to strengthen public-private partnership in various business fields. Mr. Watanabe also touched upon the importance of cultural cooperation and support for small and medium enterprises (SMEs) to further expand Japan-Mekong cooperation.
4. Also in the opening session, Dr. Kan Zaw, Union Minister for National Planning and Economic Development of the Republic of the Union of Myanmar, welcomed the holding of this forum. Minister Kan Zaw appreciated Japan's assistance in the Mekong region and expressed the high expectation for further expanding the Japan-Mekong cooperation. Minister Kan Zaw also emphasized the commitment of the Mekong region countries to establishing the ASEAN Community in 2015, bearing in mind that Myanmar will host the ASEAN summit in 2014. In addition, Minister Kan Zaw explained the business environment in Myanmar, including the three Special Economic Zones projects (Thilawa SEZ, Dawei SEZ and Kyauk phyu SEZ).

5. Throughout the Forum, the participants reiterated the importance of public-private partnership in the Japan-Mekong cooperation and welcomed the progress and efforts in this regard, which would lead to the establishment of ASEAN Community in 2015. The participants also recognized that challenges still remain for further deepening public-private partnership. In this connection, the participants reaffirmed commitment of both Japan and Mekong region countries to utilize the public-private joint dialogues in each country, including Mekong-Japan Industry and Government Dialogue, in addressing those challenges. Moreover, the participants appreciated various efforts by private sectors and expressed the expectation that those efforts would bring greater synergy between public and private sectors, which would lead to further improvement of business environment in the region.
6. The participants welcomed the progress on the Mekong connectivity, which is an essential part of ASEAN Connectivity, including North-South Economic Corridor (NSEC), the East-West Economic Corridor (EWEC) and the Southern Economic Corridor (SEC). Considering that ASEAN Community should be established in 2015, the participants underlined the importance of further progress, which would transform the Mekong connectivity into a full-fledged one. Toward this goal, the participants stressed the need to further develop both hard and soft infrastructure. In this context, the participants appreciated Japan's continued contribution and Mekong countries' efforts both in filling the remaining physical missing links as well as further enhancing institutional connectivity.
7. The participants from the Mekong region countries explained their measures and efforts to improve their business environment and encourage investment from Japan. The participants highlighted the importance of capacity building as well as legal and institutional development, including bilateral investment agreements. The participants also shared the explanation of SEZs in the Mekong region countries, in particular the Dawei SEZ project.
8. The outcome of this Forum is going to be reported to the next Japan-Mekong Foreign Ministers Meeting and then to the Summit, and will be followed up at relevant fora between Japan and the Mekong region countries.

(Reference: The Forum for the Promotion of Public-Private Cooperation in the Mekong region was first proposed by Japan at the First Japan-Mekong Summit in 2009. Following up on the commitment expressed at the Summit as well as recognizing the importance of private and public cooperation in the Mekong region, the Government of Japan held the first Forum in 2010 and the second one in 2012.)

Summary of Discussion: Working Groups

To further strengthen public and private partnership in the Mekong region, the participants addressed following issues in the working groups:

(1) Environment/ Urban Environment

- The working group shared the view that large cities in the Mekong region were now facing common challenges, which Japan had already experienced. The working group recognized that Japan's experiences would be valuable examples for the Mekong region countries in developing their fundamental infrastructure with paying due attention to environment.
- In particular, the working group emphasized the importance of fostering public-private partnership in achieving sustainable development, and therefore, promoting environment where private sector can actively participated in the joint efforts.
- The working group also appreciated Japan's assistance in sharing its cutting-edge technologies and knowledge with the Mekong region countries as well as developing infrastructure.
- The working group acknowledged efforts taken by large cities in the Mekong region and underlined the importance of developing further these initiatives, with involvement of public and private sectors, in cooperation with Japan.

(2) Infrastructure

- The working group shared the view that special economic zones (SEZs) were vitally important to provide the indispensable foundation in accepting Japanese companies and fostering public-private partnership. Also the working group highlighted SEZ's importance to create jobs for CLM new labor forces.
- The working group welcomed the increasing attentions from Japanese private sectors toward SEZs in the Mekong region.
- The working group emphasized the importance of SEZs for the Mekong region countries themselves, in the sense that the Mekong countries could accumulate the experience vis-à-vis Japanese companies. The working group also shared the necessity to further improve the business environment in SEZs, so that more Japanese companies could be encouraged to advance into SEZs in the Mekong region. The working group identified the importance to create development strategies to highlight each country's unique characteristics and endowment.
- The working group appreciated that the information about development of Dawei and Thilawa SEZ were shared with Japanese sides, and recognized the importance of these two SEZs projects. The working group noted the impact of economic corridor development.

- The working group welcomed the increasing attentions from Japanese private sectors toward SEZs in the Mekong region and expressed high expectations that more Japanese companies would advance into these SEZs.

(3) Culture and Creative Industry (Japanese Food Export, TV Program Export)

a) Food Industry

- The working group reached common recognition that the food industry would have a promising future based on the increase of spending power and the change of life styles in the Mekong region countries.
- The working group shared lessons learned from concrete experience, successful examples and problems. The working group also recognized current trends and future prospects of the food industry in this region.
- The working group emphasized the need to deepen public-private cooperation, including improvement of supply-chain and necessity to develop human capacity.

b) Contents Industry

- The working group discussed the way for the Japanese contents to be promoted in the Mekong region. In particular, the working group touched upon the expensive license fees and complicated practices of Japanese-style contracts, which always hindered Japanese contents from advancing into this region.
- The working group welcomed that Japan was now addressing these challenges in collaboration with the private sector. The working group shared the expectation of the Mekong region countries that these challenges would be solved as soon as possible and impediments would be taken away soon.
- The working group appreciated many valuable and useful suggestions from the Mekong region to promote Japanese contents in this region.
- The working group reached common recognition that collaboration between Japan and the Mekong region in this field would be mutually beneficial for both Japan and the Mekong region.
- The working group shared the view that further cooperation and collaboration would be important to further deepen mutual understanding between Japan and the Mekong region. The working group also emphasized the importance of continuing dialogues not only in this forum but also in any other fora under the Japan-Mekong cooperation.

(End)