

【Provisional Translation】

Remarks by Mr. Ryuji Yamane,
Parliamentary Senior Vice-Minister for Foreign Affairs
at the Forum for the Promotion of Public and Private Cooperation
in the Mekong Region
The Second Mekong-Japan Meeting
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Introduction

Good morning everyone. My name is Ryuji Yamane, Parliamentary Senior Vice-Minister for Foreign Affairs.

Thank you for taking your valuable time today to attend the ‘Second Forum for the Promotion of Public and Private Cooperation in the Mekong Region.’ I sincerely welcome the representatives from the five Mekong countries to Japan.

Today, we will discuss the promotion of the economic growth of the Mekong region based on the perspective of the Japanese firms operating in the region. The result of this Forum will be reported to the Third Mekong-Japan Summit Meeting to be held in Indonesia next week.

1 The Great East Japan Earthquake and Reconstruction Efforts

First of all, I offer my deepest gratitude for the condolences and supports extended from the Mekong countries and the world in the wake of the Great East Japan Earthquake. The support displayed to us demonstrates the friendship and solidarity of the Mekong countries to Japan, by which many Japanese people were encouraged.

On the other hand, flooding in Thailand has caused tremendous damage. I would like to express my deepest condolences to those who have lost their lives as well as heartfelt sympathy to those who have been affected by the flood.

The Great East Japan Earthquake and the flooding in Thailand demonstrated two issues. First, the economy of Japan and the Mekong region countries are linked by supply chains. Due to the earthquake and tsunami, production of parts manufactured in the Tohoku region to be supplied for assembly in the Southeast Asia has stopped. Also, production of goods assembled in Thailand to be supplied to Japan has been forced to stop. Second, Japan and the Mekong region countries share common major challenges of disaster prevention and environment and preparedness for natural disasters.

Meanwhile, we are feeling fresh wind after many political moves in the region, as seen in the new administrations in Laos, Viet Nam and Thailand as well as the establishment of the new Myanmar government. This year will be long remembered by a number of people for many reasons.

2 New Growth Strategy and Asian Development

It is clear from its 'New Growth Strategy' that Japan views the economy of Japan and the Mekong countries as one. The Strategy sets out seven strategic areas, one of which is 'Asian Economic Strategy.' Japan is pushing forward with the 'Asian Economic Strategy' putting 'Promotion of Japan as an Asian Industrial Center,' 'Fostering of and Exchanges between Global Talents,' 'Rebuilding of Japanese Brands,' 'Free Trade System' and 'Deployment of Integrated Infrastructure Systems' as the main pillars. Japan intends to share with Asian countries its wealth of experiences gained through its economic growth as well as to grow and prosper hand in hand with other Asian countries.

The most important challenge for ASEAN is the establishment of the ASEAN Community by 2015. We believe that it is a big step toward the prosperity and stability in the Asian region and Japan strongly supports it. The Mekong region, which has good and abundant working force and vast resources, plays a vital role for the ASEAN Community.

The Mekong region with great potential is drawing much attention and currently the foreign investment to the region is increasing. In fact,

Japanese companies have shown great interest in investing in Cambodia, Laos, and Myanmar in recent years in addition to Thailand and Viet Nam where considerable investments have already been made.

It is also true, however, that some companies ask for further improvement of business environment such as distribution of goods, energy infrastructure and legal system in the Mekong region, mainly in Cambodia, Laos, and Myanmar. Taking this perspective into consideration, we decided to specifically discuss the 'Present Situation and Problems of the Development of Investment Environment' in those three countries at today's second session.

In the working groups, we will have deeper discussions on concrete issues such as the 'Enhancement of the ASEAN Connectivity' and 'Measures against Environment and Climate Change.' The Great East Japan Earthquake and the Thai flood revealed that the improvement of hard infrastructure is not sufficient for the creation of robust supply chains. It has been reaffirmed that it is important for the companies to formulate a 'Business Continuity Plan' in preparation for emergencies such as natural disasters. Following the earthquake, many Japanese companies reviewed and formulated their business continuity plans, whose experience we would like to share in the working groups. I hope that Japan's experience will serve as good examples for the corporate activities in the Mekong countries.

3 Efforts in the Mekong-Japan Cooperation

Finally, I would like to touch upon Japan's latest efforts in the Mekong-Japan cooperation. First, regarding the 'Comprehensive Development in the Mekong Region,' Japan is working to fill the missing links of the East-West and Southern Economic Corridors and to construct industrial parks, seaports and harbors, and airports along those corridors by all sectors of Japan. With regard to the new port infrastructure construction project in Lach Huyen, Viet Nam which was introduced in this meeting last year, the two governments concluded and exchanged notes on grants on October 31st.

Secondly, regarding 'Environment and Climate Change,' Japan has launched a 10-year program from 2010 toward the Green Mekong. In this

respect, for instance, Japan and Thailand successfully co-hosted a ‘Green Mekong Forum’ in Bangkok on June with the proactive participation of local governments and private organizations from Japan. The participants of the forum reconfirmed that the public-private cooperation to tackle the environmental problem remained to be crucial. By deploying and spreading integrated infrastructure systems in Asia utilizing Japan’s competitive environmental technologies, Japan will support the reduction of the environmental burdens caused by Asia’s economic growth.

We will also continue to expand ‘cooperation and exchanges’ through youth exchanges, tourism promotion and other measures of the JENESYS program.

Progress of the Mekong-Japan cooperation is followed up on regularly taking various occasions with the purpose of further promoting the efforts. At the Fourth Mekong-Japan Foreign Ministers’ Meeting this July in Indonesia, the Ministers agreed that environment and climate change, promotion of investment through PPP, and cooperation in measures against vulnerabilities were the important agendas for the Mekong -Japan cooperation. At the following Third Mekong-Japan Economic Ministers’ Meeting in August, the participants acknowledged that steady progress had been made in hard infrastructure construction, trade facilitation, strengthening of the SMEs, and strengthening of service and new industries.

Conclusion

Mekong development through the PPP has continuously advanced since last year’s meeting. It is my hope that vigorous discussions and exchanges of views will be hold at this Forum to speed up the advancement for the Third Mekong-Japan Summit Meeting.

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