

Speech by Ms. Miki Yamada,
Parliamentary Vice-Minister for Foreign Affairs of Japan,

Japan- Oman relations: A Partnership Bound by Sea
- Tapping into Oman's Great Potential -

March 23, 2016

His Excellency Dr. Ali bin Masoud Al Sunaidy, Minister of Commerce
and Industry,

Excellencies, distinguished guests, ladies and gentlemen,

Assalam Alaikum.

On behalf of the Government of Japan, I would like to express my heartfelt gratitude to the Sultanate of Oman for the warm hospitality in hosting the 5th Oman Economic Forum and having me as one of the guest speakers.

It is my utmost pleasure to make my first visit to the Sultanate of Oman, which is renowned for the peaceful coexistence between its beautiful nature and, warm and generous people. This is something that I see very much in common between Oman and Japan. And, this could partly explain why Japanese people and Omani people both feel such intimate feeling towards each other.

The generous support that we have received from Oman in the

aftermath of the Great East Japan Earthquake is a testament of such close friendship. Earlier this month, we have commemorated the fifth anniversary of the Great East Japan Earthquake, but the memory of your deep generosity will never be forgotten.

We might be able to track this intimate feeling toward each other back to our long histories. Oman is a country with one of the longest history in the Arab world, and it is positioned in a strategic location through which Asia and Africa are connected.

This is one of the reasons why Oman has enjoyed a long era of prominence and prosperity since the ancient times as a maritime state. By the 19th century, Oman's rule stretched as far as East Africa, reaching its apex as the maritime empire.

Japan too boasts 2,000 years of history as a maritime nation. Admittedly, Japan is a small island nation, but our predecessors were never shy to embark on an enterprise in uncharted waters, and also they were very hard working.

Furthermore, just like many other maritime states we know by our experience that interaction, cooperation and commerce in an open spirit would lead to "win-win" relations.

This allowed Japan to become one of the most developed economies in the world. In short, both our countries proudly share the

pride as maritime nations and the same aspiration for openness.

This brings us to the point that Japan would make a reliable and ideal partner for Oman to tap this great potential. Our current engagements with Oman prove this point.

Seafaring countries are unafraid of challenges. And Oman is obviously not an exception. Oman is currently actively engaged in a bold effort to diversify its economy. And Japan has been its major partner.

So far, Japanese companies have advanced in the oil and LNG sector and are engaged in the construction of LNG plants and LNG carriers. For example, three LNG plants that exist in Oman is all built by Chiyoda Corporation has completed.

Furthermore, MITSUI has recently received an order for Oman's largest power generation with a capacity of 3,200 megawatts, Ibri^{イブリ} Independent Power Producer (IPP). When completed, the IPP will supply about 30% of Oman's electricity demand.

ITOCHU received an order for Oman's largest desalination project, Barka^{バルカ} Independent Water Producer (IWP). The IWP's supply capacity is 280,000 tons per day.

In addition to this, ^{グ ブ ラ}Ghubrah IWP which was recently completed with the involvement of Sumitomo Corporation supplies 180,000 tons per day.

Combining these two IWP capacities, Japanese companies supply water that meets the demand of 1.97 million people in Oman. Since Oman's population is 4.15 million people, this means that Japanese companies are supplying roughly half of the Oman's water demand.

We are contributing in the areas where we have our relative strength. We are convinced that the Japanese high technology combined with our integrity will ensure safe, secure and high quality products. We have a deep rooted tradition of craftsmanship that pursues nothing less than perfection. I hope many of you own Japanese cars. I don't mean to brag but they are comfortable, easy to handle and reliable. This is the quality of "Made in Japan".

"You get what you pay for". The spirit that underpins this proverb has been passed down from generation to generation in Japan. It is a way of thinking in which we choose quality over cheap price. This is because we know from our experience that in the long run, products with better quality last long and makes better sense in the economic term also.

I would also like to mention that there are burgeoning fields of

cooperation.

I would like to extend my heartfelt congratulations that Gulf Japan Food Fund was established in Muscat last year. The fund invests about 5 million dollars in the agricultural field between Japan and GCC. The fund aims to promote the export of Japanese products and to foster agricultural production in the Middle East. This can have a great impact both in Japan and GCC.

Japanese cuisine is up and coming across the world. Japanese cuisine is famous for its wide variation of ingredients. Exports of Japanese agricultural products in 2015 are about 6.15 billion dollars, expanding 21.8 percent from last year. This means that there is a great growth potential in this field. With experienced Japanese technology, we can create a food value chain of Japanese products in the Middle East region. And we want Oman to be an important part of it.

Already Oman has grown kidney beans and melons in cooperation with Japanese companies and they are exported to Japan. Also Fishery is an important industry in Oman with long coast line.

By further deepening our cooperation in such fields, Oman will be able to benefit from transferred technology, job creation, and of course, exquisite Japanese food products. We would like to create the food value chain in Oman with our technology, so that you can enjoy

Japanese strawberries and Kobe beefs on daily basis.

New economy, new industries, new jobs will be created in the Middle East region. This would be an innovative initiative.

Last but not least, I would like to briefly touch upon the potential of cooperation in realizing stable Middle East.

Middle East is currently facing a great number of challenges from the threat of ISIL, the situations in Syria, Yemen and so on. What makes the matter worse is that these challenges are closely interconnected with one another.

Yet, addressing these issues can never be more pressing. Stable Middle East is essential for the peace and stability of the world, which of course includes Japan.

We cannot continue to allow terrorism to infest and threaten the fabric of the society nor do we want to see nations states disintegrate to create power vacuums. It would have immeasurable impact to the very foundation of the well-being of the international community.

In such a situation, we pay our sincere tribute to the great role that Oman is playing to stabilize the region led by Sultan Qaboos and supported by the tolerance spirit of Omani people.

In particular, the relationship with Iran is historically strong. Oman has played a very important role during the process of the nuclear negotiation. The gas pipeline construction between Oman and Iran would, if completed, not only strengthen the economic ties between the two countries but would also serve as a catalyst to integrate Iran to the region, which could then lead to a greater stability in the wider region. I hope Japanese companies can participate in this significant project someday.

Japan is delighted with the excellent relationship that we have with Oman, and have every intention to cooperate in a wide range of fields with Oman.

This year is an extremely important year for Japan's foreign policy since we will host the G7 Summit and is serving as a non-permanent member of the United Nations Security Council. Making full use of these valuable opportunities, we will do our utmost to address these regional issues in cooperation with Oman.

We hope that this will economic forum will provide a boost to the bilateral relations between Japan and Oman. I would also like to wish Oman the very best in achieving further development and growth.

Thank you for your kind attention. Shukran Jazilan.

(end)