

Chair's Summary of the Ministerial Session of
the First Meeting of the Japan-Arab Economic Forum
December 7, 2009

The Ministerial meeting of the first session of the Japan-Arab Economic Forum was hosted by the Government of Japan in Tokyo on December 7, 2009, with the participation of ministerial representatives of Japan and the respective members of the League of Arab States (LAS) and business executives from Japan and from the Arab members of LAS. The Forum was organized on the basis of the *Memorandum of Co-operation (MOC) between the Government of Japan and the League of Arab States regarding the Establishment of the Japan-Arab Economic Forum* which was signed on December 6, 2009 in Tokyo by H.E. Mr. Katsuya Okada, Minister for Foreign Affairs of Japan, H.E. Mr. Masayuki Naoshima, Minister of Economy, Trade and Industry of Japan and H.E. Mr. Amre Moussa, Secretary-General of the League of Arab States. The Japanese side especially appreciated the presence of Mr. Moussa and H.E. Dr. Safaa Al-Din Al-Safey, Head of the Economic and Social Council of the LAS, and the close cooperation of the LAS Secretariat in holding the first session of the Forum. The Japanese side also appreciated the General Union of Chambers of Commerce, Industry and Agriculture for Arab Countries, the Federation of Arab Businessmen, the Arab Investors Union and the Arab Ambassadors Council in Japan for their professional assistance that was indispensable for the successful organization of the Forum.

A. To Achieve a Strong, Sustainable and Balanced Growth

1. The international community must coordinate more closely on economic, fiscal, financial, environmental and social policies to overcome challenges the world economy is facing, in particular, as revealed after the recent global financial crisis and its negative economic repercussions and to realize a strong, sustainable and balanced global growth. In this regard, both sides welcomed all the initiatives aimed at strengthening cooperation in macroeconomic policies.

2. Both sides confirmed that there is further potential for Japan and the LAS members to work together to develop their economic relations that will strengthen the economies on both sides, to develop their abilities to deal with various challenges and to contribute to the realization of a strong, sustainable and balanced world economy. Both sides recognized the importance of expanding their cooperation through various ways, including triangular cooperation, as elaborated below.

B. Education, Human Resource Development and Increase in Employment in the Small and Medium Sized Enterprises (SMEs)

3. Japan's multi-layered cooperation with the LAS members covers a range of areas including development of primary education, capacity-building for manufacturing industries and establishment of the Egypt-Japan University for Science and Technology "E-JUST", which will be open for all Arab students. Both sides recognized the importance of further developing cooperation in those areas.

4. The Arab side recognized the importance of developing SMEs in the LAS members. Both sides recognized the importance of keeping on exchanging views in the field of SMEs. In this regard, the Arab side explained related measures to develop SMEs, including the establishment of a fund announced by H.H. the Emir of Kuwait Sheikh Sabah Al-Ahmed Al-Jaber Al-Sabah with contributions from Kuwait, Saudi Arabia, Bahrain, Egypt, Jordan, Lebanon, Mauritania, Syria, Tunisia and Yemen.

C. Energy, Environment and Sustainable Development and Water, and Science & Technology

5. Both sides expressed their determination to cooperate in the field of oil and natural gas both in the upstream and downstream sectors on the basis of mutual benefit.

6. Both sides discussed the possibility of cooperation in the training of human resource development in the energy conservation and new energy field intended for the Arab region. Besides, both sides reached a consensus on the possibility of cooperation between Japanese and Arab enterprises in the photovoltaic system area.

7. Recognizing the risks of negative impacts of climate change, both sides shared the view that a successful outcome should be achieved at COP15. Both sides also discussed cooperation in clean energy technologies to reduce greenhouse gas emissions significantly while promoting economic and social development.

8. The Arab side expressed its appreciation for Japan's steady efforts to improve the water environment among the LAS members especially through their support to promote IWRM (Integrated Water Resource Management) in the Arab region particularly in the fields of water desalination and waste water treatment and mitigation mentioning in particular the water business mission, organized by Japan Cooperation Center for the Middle East, to Saudi Arabia, UAE and Oman in October, 2009. Both sides recognized the importance of mutual cooperation in this

field, expressing a desire to further strengthening ties through various events and programs on a governmental and business basis, including “Water Policy Dialogue”, business missions, and the water business workshop and business matching event to be held December 8, 2009 in Tokyo.

D. Trade and Investment

9. Both sides recognized the importance of enhancing and developing economic relationships between Japan and the LAS members through:

- Increasing the volume of two-way trade; and
- Encouraging the business sector to establish joint projects.

10. Financial facilities have a crucial role in expanding business and investment for Japan and the LAS members. In this regard, both sides recognized the importance of deepening financial relations through:

- Exchanging information on the two-way financing for investment (between Japan and the LAS members);
- Promoting financing for investment into third countries; and
- Building the network in financial industry of Japan and the LAS members.

E. Tourism

11. Both sides welcomed the recent development in tourism promotion. Both sides shared the view, taking into account the advancement of touristic resources on both sides, that tourism was one of the priorities for the LAS members to boost economic and social development, as the tourism industry generated a significant volume of employment in various ways. Both sides support further tourism promotion between Japan and the LAS members.

F. Further Steps

12. Both sides reaffirmed the importance of continuing discussions under the framework of the Forum. In this regard, both sides took note of the plan to hold an Arab-Japan business meeting for workshops and business matching in 2010 and 2012 as a major program of the Japan-Arab Economic Forum to be held as stated in the MOC.

13. The Forum welcomed Tunisia’s offer to host the next session of the Forum and decided to hold its second session in Tunisia next year.