

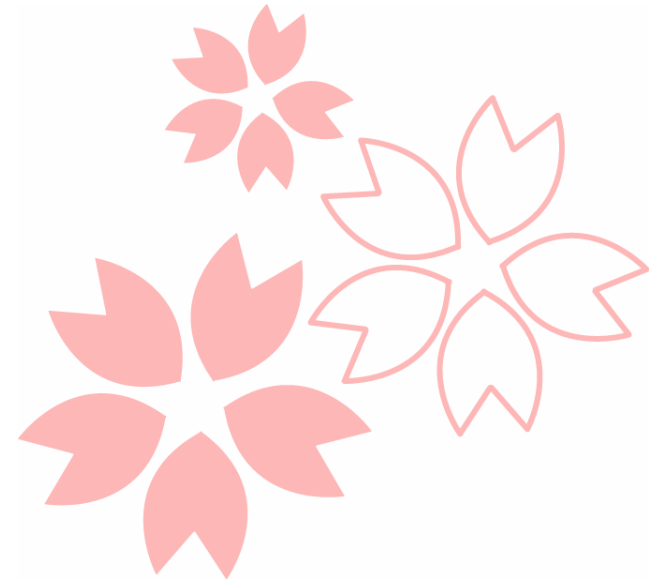
Toward the prospective Japan-Russian business alliance

5th November 2007

Sumihito HIRAI

Director-General, Overseas Research Dept.

JETRO



What is JETRO?

- 🌸 Japanese governmental organization implementing foreign trade and investment policy worked by METI
- 🌸 73 overseas offices in 54 countries worldwide, as well as 36 offices in Japan



JETROs activities in Russia

-  1960s Japan Industrial Exhibition in Moscow
-  1992 Representative in Moscow
-  2006 Business delegation to Russia
-  Jul 2007 Representative in St. Petersburg
-  Oct 2007 Japan-Russian Industrial Policy Dialogue

Japan-Russian Industrial Policy Dialogue in Moscow

October 2007

🌸 3rd Oct. Annual Forum of big business of
Russia “Expert 400”



“Expert”, Rating Agency
“Expert” and JETRO

🌸 4th Oct. Industrial Policy Dialogue
(closed session)



Delovaya Russia,
Institute of Economy,
Russian Academy of
Sciences,
MINPROMENERGO,
Ministry for Economic
Development and
Trade and JETRO

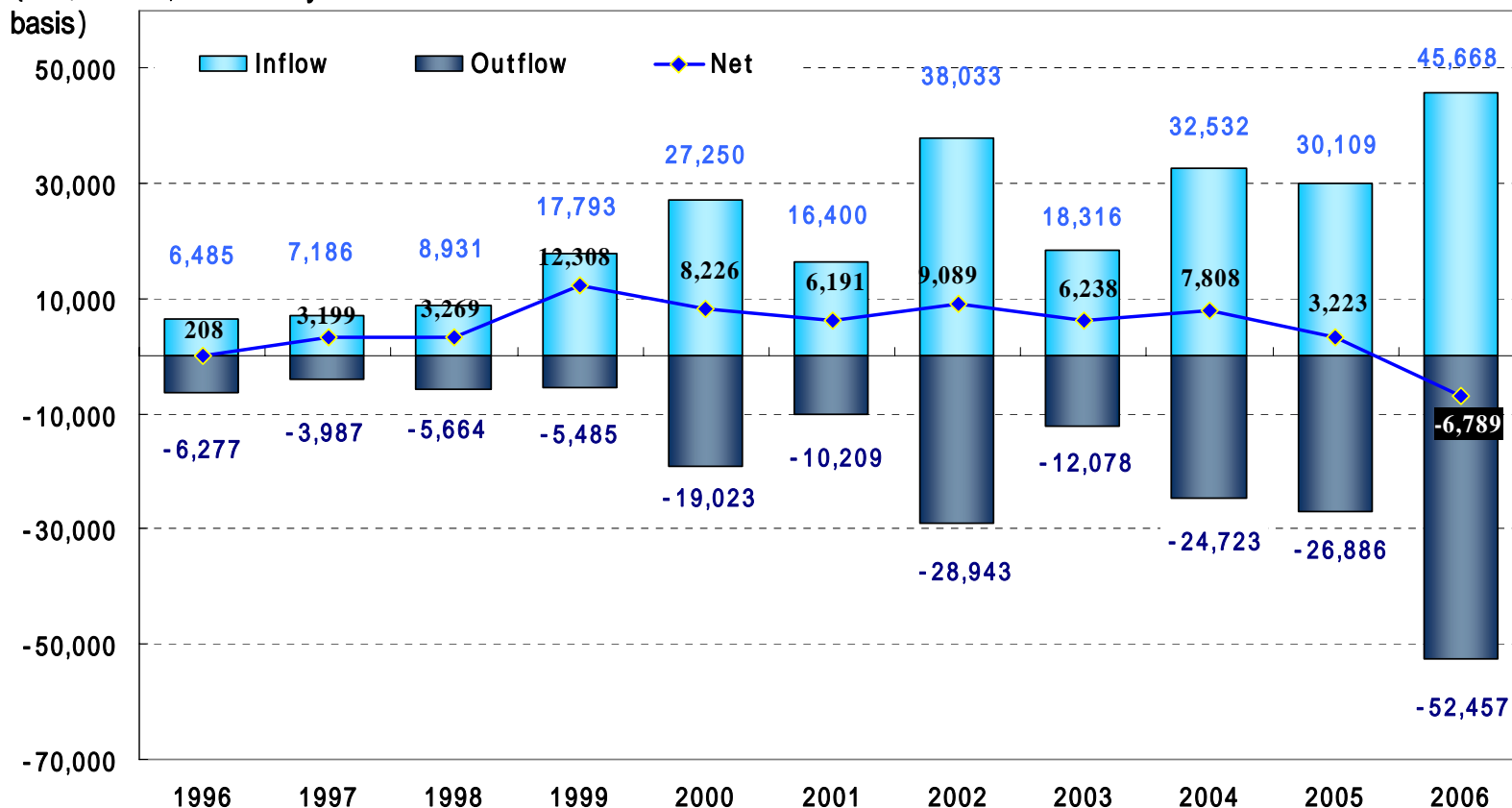
🌸 5th Oct. Seminar on formation of industrial cluster in the regions and the possibility toward Japan-Russian business alliance



OPORA, Russian Union of Industrialists and Entrepreneurs and JETRO

Japan's Inward FDI, Flow basis

(US\$ million, Calendar year basis)

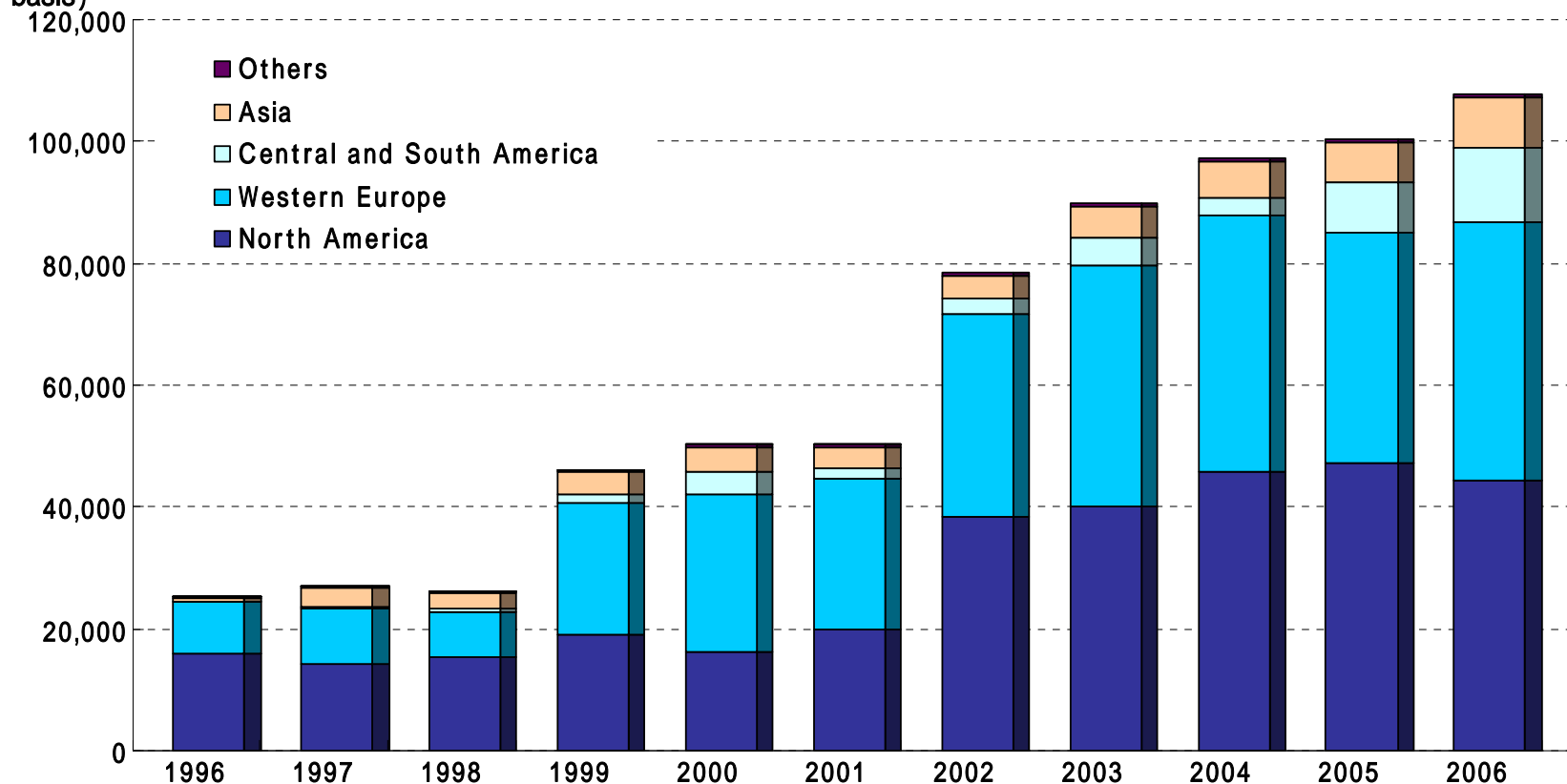


Source: Ministry of Finance and Bank of Japan "Balance of Payments and Financial Account (liabilities)"

Note: BOJ's inter bank rate (central rate average) is used for conversion from yen to US\$

FDI Position in Japan, breakdown by Region, Stock basis

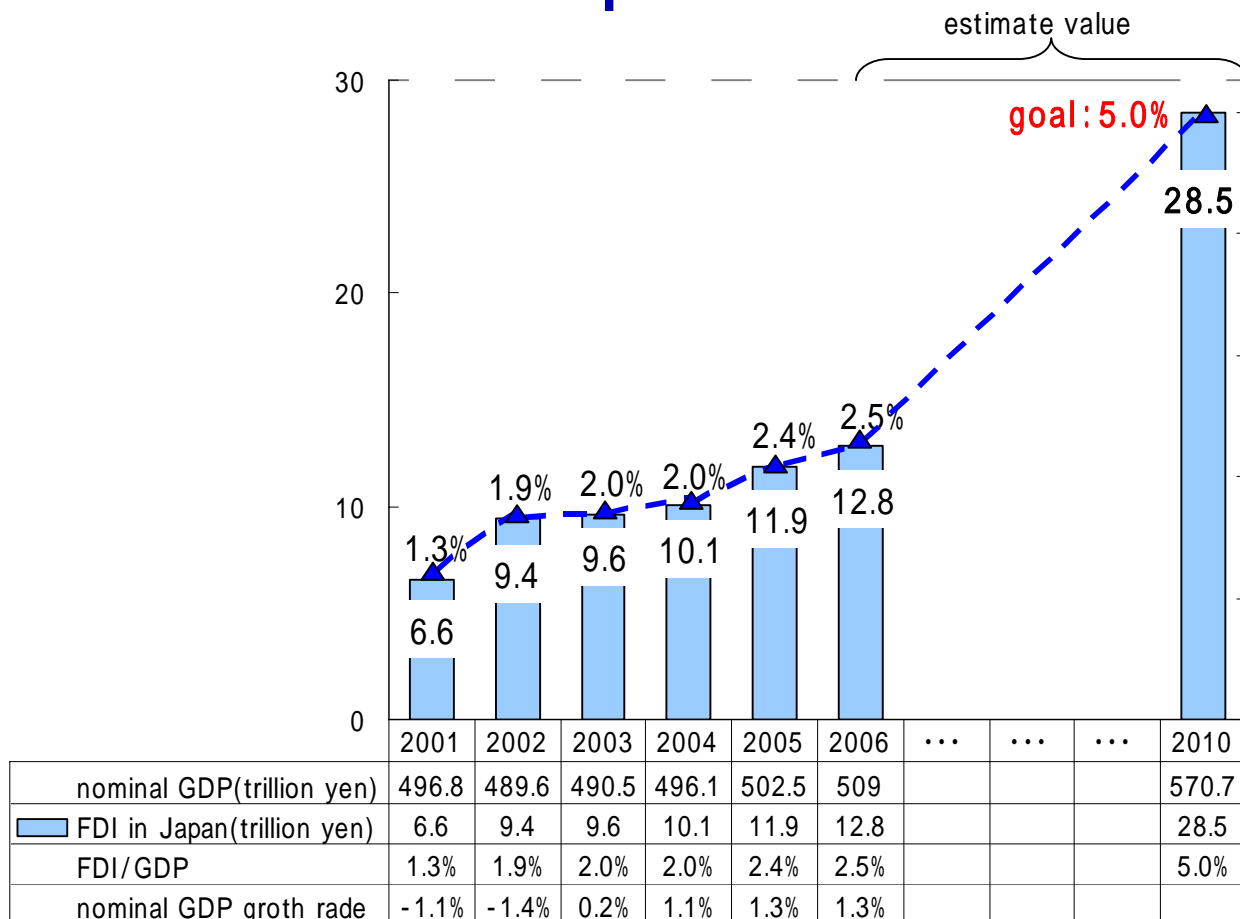
(US\$ million, Calendar year basis)



Source: Ministry of Finance and Bank of Japan "Balance of Payments and Financial Account"

Note: BOJ's inter bank rate (end year) is used for conversion from yen to US\$

FDI in Japan/GDP ratio



The 2010 nominal GDP is estimated base on the nominal growth rate(fiscal year basis) used in the “Basic Case” of Council on Economic and Fiscal Policy calculation on January 18th, 2006.

Source: Ministry of Finance “Balance of Payments and Financial Account”

FDI in Japan by Russia

- ❁ 4.6 million US\$ in stock basis (end 2006)
- ❁ IT has huge potential
- ❁ Kaspersky, Anti-Virus Software
- ❁ Russian-Japan Business Council (RJBC)



Invest Japan Business Support Center (IBSC)

Consulting Services

- ❀ Marketing
- ❀ Laws and regulations
- ❀ National and local government incentives
- ❀ Cost simulation
- ❀ Incorporation procedures
- ❀ Employment and labor issues

Facilities

- ❀ Tokyo, Yokohama, Osaka, Nagoya, Kobe, Fukuoka
- ❀ Free temporary office spaces (Tokyo IBSC has 35)
- ❀ Well-stocked library
- ❀ Exhibition space and auditorium



Thank you

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