ASEAN-Japan Seminar on FDI:

Sharing Japanese SMEs' Dynamism in ASEAN's Integration

28 - 29 May 2007

at
Grand Prince Hotel Akasaka

Organized by
ASEAN-Japan Centre, Tokyo
Co-organized by UNCTAD and ASEAN Secretariat

Tentative Program

Since the signing of the framework for Comprehensive Economic Partnership (CEP) Agreement between ASEAN and Japan in 2003, a number of events took place. ASEAN and Japan have started consulting each other on the negotiation process to advance the economic partnership between ASEAN and Japan. The ASEAN-Japan Centre in support from the UNCTAD and ASEAN Secretariat, organized two high-level policy seminars (Tokyo in 2004 and Jakarta in 2005) and one capacity-building workshop (Tokyo in 2006). This is the third high-level policy seminar to identify key issues and elements that could be considered in the negotiation framework for strengthening ASEAN-Japan investment relationship and industrial linkages, leading to facilitation and promotion of FDI between the two.

This seminar is a follow up to the outcome of the past seminars and to address a specific aspect of ASEAN-Japan investment and industrial relationship by looking at the development of small and medium-sized enterprises (SMEs) and FDI by and in such enterprises.
May 27, 2007 (Sunday)  Arrival of Participants in Tokyo

May 28, 2007 (Monday)

09:00 – 09:30  Seminar Registration for Participants

09:30 – 09:35  Welcome Remarks by the ASEAN-Japan Centre
Mr. Nobutoshi Akao, Secretary-General, ASEAN-Japan Centre

09:35 – 09:50  Special Address by the ASEAN Secretariat
Mr. Nicholas Tandi Dammen, Deputy Secretary-General of ASEAN Secretariat

09:50 – 10:00  Keynote Address by SME Organization
Mr. Takao Suzuki, Chairman, Organization for Small & Medium Enterprises and Regional Innovation, Japan

10:00 - 12.30  Session I  FDI by Japanese SMEs in ASEAN: Current Trends and Outlook and Challenges

This session examines the characteristics and development of FDI by SMEs at the global level and looks into the case of Japanese SMEs FDI to and in ASEAN. It identifies key elements to strengthen ASEAN-Japan SMEs cooperation and development through FDI, including better understanding of the motivations and problems faced by SMEs in investing abroad and in particular ASEAN.

Moderator: Mr. Nobutoshi Akao, Secretary General, ASEAN-Japan Centre

10:00 – 10:20  FDI by SMEs in Global Context: Characteristics, Policy Issues and Challenges
Mr. Masataka Fujita, Chief, Investment Trends and Data Section UNCTAD

10:20 – 10:40  The role of Japanese SMEs for the enhancement of ASEAN competitiveness and ASEAN economic integration
Mr. Arin Jira, Secretary General, ASEAN-Chamber of Commerce and Industry

10:40 – 11:00  FDI by Japanese SMEs in ASEAN: Cases and Development
Mr. Isamu Wakamatsu, Senior Coordinator for ASEAN& South Asia, Planning Department, JETRO

11:00 – 11:15  Coffee Break

11:15 – 12:30  Discussion/Q&As
Lead discussants:
Japanese Discussant
Mr. Toshimasa Asaka,
Professor, Faculty of Business Administration,
Konan University
ASEAN Discussant
Mr. Zainal Aznam Yusof, National Economic Action Council,
Malaysia and consultant to ASEAN Secretariat
Wrap-up Commentary for Session I by Moderator (ASEAN-Japan Centre)

12.30 - 13.45 Lunch

13.45 - 17.30 Session II: Host Country Determinants, Measures and Policies Supporting FDI by SMEs

Session II looks at the key host country determinants in ASEAN to attract FDI from Japanese SMEs. What host country advantages do ASEAN as a group and individual member states have for Japanese SMEs to invest in the region? This session is also to discuss what policy has worked in promoting SMEs FDI to ASEAN, including policy options (e.g. suppliers programme, business linkages).

Moderator: Mr. Nicholas T. Dammen, Deputy Secretary-General, ASEAN Secretariat

13.45 - 14.05 Brunei Darussalam, Mr. Haji Momin bin Haji Sawal, Special Duties Officer, The Head of Promotion and Facilitation Services
14.05 - 14.25 Cambodia, H.E. Mr. Sok Chenda, Secretary General, Council for Development of Cambodia
14.25 - 14.45 Indonesia, H.E. Mr. Muhammad Lutfi, Chairman, BKPM
14.45 - 15.05 Laos PDR, Ms. Bouatha Khattiya, Deputy Director General, Department for Promotion and Management of Domestic and Foreign Investment
15.05 - 15.25 Malaysia, Ms. Kaziah Binti Abd Kadir, Deputy Director General I, Malaysian Industrial Development Authority

15.25 - 15.40 Coffee Break

15.40 - 16.00 Myanmar, Mr. Kyaw Zaw, Deputy Director General, Directorate of Investment and Company Administration
16.00 - 16.20 Philippines, H.E. Mr. Elmer C. Hernandez, Undersecretary, Department of Trade and Industry Vice-Chairman and BOI Managing Head
16.20 - 16.40 Singapore, Mr. Paul Chang Chin Nam, Director of Precision Engineering, Economic Development Board
16.40 - 17.00 Thailand, Mr. Thamrong Mahajchariyawong, Deputy Secretary General, BOI
17.00 - 17.20 Viet Nam, Mr. Phan Huu Thang, Director General, Foreign Investment Agency, Ministry of Planning and Investment

18.30 - 20.30 Welcome Reception hosted by ASEAN-JAPAN Centre
May 29, 2007 (Tuesday)

9.30 - 13.00  Session III  Strengthening ASEAN supply capacities and supporting industries: Roles of Japanese SMEs and Institutional Support Facilities

How ASEAN-Japan economic partnership would affect local firms in particular SMEs in ASEAN, what industries will be more vulnerable and hence more attention should be given to them in policy development exercise, what mechanism would help mitigate the adverse effects, and what specific measures would be relevant to help SMEs better adjust and enable them to contribute optimally to the overall ASEAN-Japan economic partnership process? An appropriate policy framework to support stronger production linkages between local SMEs and Japanese SME investors will help foster a more closely knitted production network system in the region. What kind of support measures do and should home country institutions and individual host country governments provide to strengthen supply capacities in ASEAN?

Moderator: Masataka Fujita, UNCTAD

**Home country measures:**

9.30 - 9.50  Mr. Tatsuya Hoshino, International Business Advisor Organization for Small & Medium Enterprises and Regional Innovation, Japan

9.50 - 10.10  Mr. Shinji Kaburagi, Director General, Advisory and Consulting office for SME Corporate Finance Department, Japan Bank for International Corporation

10.10 - 10.25  Comment by ASEAN commentator on home country measures: Mr. Zainal Aznam Yusof, National Economic Action Council, Malaysia and consultant to ASEAN Secretariat

**Host country measures**

10:25 - 11.05  Ms. Jhitraporn Techacharn, Director General, Office of Small and Medium Enterprises Promotion (OSMEP), Ministry of Industry, Thailand

Mr. Ho Sy Hung, Deputy Director General, Agency for Small and Medium Enterprise Development (ASMED), Ministry of Planning and Investment, Vietnam

11.05 - 11.20  Coffee Break

11.20 - 11.35  Comment by Japanese commentator on host country measures: Mr. Toshihiro Iwatake, Vice President, International Affairs, JAMA

11.35 - 12.40  Discussion/Q&As

12.40- 14:15  Lunch
There is a need of an action agenda for attracting FDI by Japanese SMEs and benefiting more from it. This interactive session will identify key elements of an action plan for ASEAN, including some policy options to increase the role of SMEs in supporting the development of a "first-class" and competitive ASEAN supporting industry. The implementation of action measures will also increase the efficiency of the region for FDI and as a competitive production base.

**Moderator: Mr. Nobutoshi Akao, ASEAN-Japan Centre**

14.15 - 14:30 Mr. Syed Amin Aljeffri, Chairperson, ASEAN Business Advisory Council
14.30 - 14.45 Ms. Kaziah Binti Abd Kadir, Deputy Director General I, Malaysian Industrial Development Authority Chairperson, ASEAN Coordinating Committee on Investment.
14.45 - 15.00 Mr. Effandi Bin Haji Salleh, Special Duties Officer, Head of Entrepreneurial
15.00 - 15.15 Dr. Suthad Setboonsarng, Partner, World trade Management Service, PriceWaterhouse Coopers Legal and Tax Consultants Ltd
15.15 - 15.30 Mr. Yoichi Yajima, Senior Investment Advisor, JETRO Bangkok
15.30 - 15.45 **Coffee Break**
15.45 - 16.30 **Interactive Discussion**
16.30 - 17.00 **Wrap-up remarks: what's next?**
   Mr. Kee Hwee Wee, Enterprise Policies and Capacity Building Section, UNCTAD
   Mr. Masataka Fujita, Chief, Investment Trends and Data Section, UNCTAD
17.00 - 17.15 **Concluding remarks of the Seminar**
   Mr. Nobutoshi Akao, Secretary-General, ASEAN-Japan Centre
18.30 - 20.00 Dinner Reception hosted by ASEAN-Japan Centre

**Field Trip**

**May 30, 2007 (Wednesday)**

8.50 - 9.00 **Meet at the Hotel Lobby**
9.00 **Leave the Hotel by bus**
10.00 - 11.30 **Company Visit to Komatsu Spring Industrial Co., Ltd**
   (Location : Ota-Ku, Tokyo
   Product : Spring for Auto and Electronic Appliances
   ASEAN Investment : Indonesia)
12.00 - 13.00 **Lunch**
15.00 - 16.30 **Company Visit to MANI INC.**
   (Location : Utsunomiya, Tochigi Prefecture
   Product : Medical Equipment
   ASEAN Investment : Vietnam, Myanmar)
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<td>10.00 - 11.30</td>
<td>Company Visit to KOBAKIN JAPAN Co., Ltd</td>
<td>Location: Saitama Prefecture, Product: Metal Moulding, ASEAN Investment: Malaysia</td>
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