

Resume of presentation on Japan-Croatian Economic Relations

By Ambassador of Japan, Keiji Ide

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at European Movement Croatia

1. Japanese Embassy's approach to Croatia

Japan and Croatia are always good friends. Japanese Embassy is working every day to promote exchanges and cooperation in all fields. Japan and EU countries, including Croatia, share common value, such as democracy, rule of law and human rights. We are transparent societies. This gives solid base for our cooperation. For our Embassy, cooperation with Croatian civil society is most important.

For cultural exchange, we will organize "Japan Cultural Week" at Westin Hotel Zagreb from 11 to 20 March. Please see our Embassy's website for details and please visit our events.

<http://www.hr.emb-japan.go.jp/hr/2016/kultura-2016-03-westin-japanese-culture-week.html>

2. Abenomics

Since launch of the Abe Administration, the Japanese economy has achieved a growth. For the past 3 years, GDP growth is plus 2.3%. Unemployment rate is now 3.4%. Corporate tax reform is going on in order to provide business friendly environment.

3. Japan-Croatia Economic Relations

- (1) Croatia exports around 2,000 tons of tuna to Japan every year. Zadar "tuna & sushi festival" is a huge success to attract more tourists in winter. My slogan is "tuna makes peace", "tuna unites people".
- (2) Around 50,000 Japanese tourists are coming every year to Croatia (160,000 "visits", as one tourist would stay in several cities). One of bottlenecks to attract more Japanese tourists is lack of tourist guides who speak good Japanese language. To give possibility to Japanese citizens to become tourist guides is one sensible way to solve this issue. For that, modification of current law is necessary.
- (3) About 700 – 800 Croatian officers are working for major three Japanese shipping companies, i.e., Mitsui, NYK and K-Line. Increase of the number of LNG ships will increase the need to employ more capable officers. But competition is severer, as Romania and other countries also provide capable officers.
- (4) Japanese company Yazaki set up research and development center in Zagreb. Around 100 Croatian engineers are working. This is a success story. But this is the only case of Japanese investment to Croatia in production sector.

- (5) Japanese company Marubeni is ready to participate in modernization project of Plomin fire power plant. Marubeni will bring newest technology, so that emission of SO_x and NO_x will be decreased in comparison with old Plomin 1, although Plomin C is 4 times bigger than Plomin 1. I visited Hekinan coal power plant in Aichi, Japan, which is 8 times bigger than Plomin C, but there is no air pollution problem. Plomin modernization project will be the largest green field investment in Croatian history. Total amount of the project is 1.3 billion Euro; that is more than 3 % of annual Croatian GDP. This project will boost Croatian economy for coming years.
- (6) Japanese companies can contribute to Krk Island LNG plant project, as they have rich experience in LNG business. For example, Japanese companies – Chiyoda Kako and Nikki – have 60 % shares of world LNG construction business. Japanese company (Mitsui) will operate world-largest FSRU (Floating Storage & Regasification Unit) in Uruguay from 2016.

4. Academic exchanges

In 21st century, 15 (*) Japanese scientists received Nobel prizes (physics, chemistry, physiology and medicine), only second to the number of Nobel prizes of US scientists. I hope that more Croatian researchers and students fully use Japan-EU exchange program.

(* including 2 Japanese, who got US citizenship.)

5. FDI is a key for development

Japanese companies established factories in Poland, Hungary, Czech, Slovakia and Romania and it greatly helped these countries to increase their export. In globalized world, to attract FDI is a key for development.

6. New horizon of future cooperation

Robotics, nuclear power, railroad, eco-friendly technology of auto mobiles and airplanes may be new areas for our future cooperation.