

# ANZCCJ SUBMISSION TO FOREIGN POLICY WHITE PAPER

FEBRUARY 2017

The Australian and New Zealand Chamber of Commerce in Japan ([ANZCCJ](#)) represents 600 individuals from Australian and New Zealand businesses in Japan and Japanese businesses with commercial ties and interests in Australia/New Zealand (see the list of ANZCCJ Corporate Members at the end of this document).



Our mission is to play a constructive and meaningful role in developing business by providing our members with an effective source of information, representation and commercial connections.

A Member Engagement Working Group was convened by the Executive Council of the ANZCCJ in February 2017 to discuss and exchange views with our membership on how the Chamber can deliver more value and to understand and respond to member business needs and expectations.

Among the questions asked by the working group were:

1. What do you think are the most important problems or challenges facing the Australian/NZ business community in Japan?
2. What are the problems or challenges facing your business and other businesses in your sector?

The following is a summary of the information gathered from the membership and the initial recommendations under consideration.

## CHALLENGES FACING THE AUSTRALIAN BUSINESS COMMUNITY IN JAPAN

- ▶ Out of over 700 Australian exporters to Japan, only approximately 50 have an on-ground presence. This compares to over 200 Australian companies with an office in Singapore, or many hundreds in China. As a result, not only are opportunities to grow business in Japan reduced, but also opportunities to develop deeper relationships with Japanese companies – who are increasingly active in Asia-Pacific. This places limitations on the development of commercial partnerships between Australian and Japanese companies who could pursue mutually beneficial growth in the region. For certain service sectors, Australian companies do not have the same profile as companies from other countries in the Japanese market. This is an issue of concern even for companies that are well-known/household names in Australia. In Japan, the Australian market is not seen by corporations as offering high growth potential when compared to opportunities available in other parts of Asia.

- ▶ Results from focus groups conducted with Japanese consumers show that they perceive the Australian (New Zealand) product offerings as unsophisticated. Furthermore the Australian market is viewed as a supplier of raw materials and ingredients, rather than a manufacturer of a high quality finished product. The challenge is to create an association of Australian goods and services with high quality through the utilisation of cutting edge technology.
- ▶ For many of the Australian (and New Zealand) companies based in Japan the focus is on providing information to their Japanese clients about the Australian and New Zealand business environment. This results in little private-sector focus on assisting Australian companies entering the market.

#### JAPAN-AUSTRALIA ECONOMIC PARTNERSHIP AGREEMENT (JAEPA)

ANZCCJ members, including wine exporters, beef producers and exporters, hotel operators, lawyers, financial service providers and other SMEs have benefited from JAEPA, in both Australia and Japan.

Members of the Food, Agriculture and Hospitality Committee (FAHC) expressed concerns relating to possible free trade agreements between Japan and the EU and Japan and the US. More favourable tariff rates being granted by Japan to products from those markets would make them more competitively priced and therefore more attractive to Japanese consumers.

At a FAHC Committee meeting at the Australian Embassy in February 2017, Embassy representatives outlined the various review mechanisms in place in the JAEPA agreement. The most relevant review in light of a possible EPA with the EU is the review that is triggered when a competitor is granted better market access. However, it was noted that this review could take up to six months to conclude. Members from the beef and dairy industries in particular indicated concerns about the time lag as it may result in a differential tariff rate, as has been the case in Korea for beef.

#### RECOMMENDATIONS

Japan is an important economic partner for Australia and an extremely influential economic player in the Indo-Pacific. Whilst the Australian Embassy, Austrade, State Governments, and the ANZCCJ have mutually benefitted from high levels of cooperation and communication in recent years, there is more that we can do together.

This is evidenced by a relatively narrow understanding in Japan of the commercial opportunities in the Australian economy and the under representation of Australian companies in the Japanese market, coupled with uncertainties around the direction of global trade agreements.

In order to maximise our trade and investment and expand commercial opportunities for Australian business, we recommend increased and targeted communications and

collaborations with the Australian Government so that together we can even more deliberately:

- ▶ Shift outdated perceptions of Australia and highlight its cutting edge innovation, high quality products, services and safety standards to the Japanese market;
- ▶ Raise Japanese business awareness of key growth areas along with investment opportunities in Australia;
- ▶ Raise Australian business awareness of key growth areas along with investment opportunities in Japan; and
- ▶ Increase awareness in Australia of the Japanese business environment and culture practices and how these might be navigated to maximise benefits.

A handwritten signature in black ink, appearing to read 'Andrew Gauci', with a small mark at the end of the line.

Andrew Gauci, ANZCCJ Chair  
2F Tameike Bldg 2-12-18 Akasaka, Minato-ku Tokyo 107-0052  
+81 3 6234 9350 | [www.anzccj.jp](http://www.anzccj.jp) | [info@anzccj.jp](mailto:info@anzccj.jp)

## ANZCCJ CORPORATE MEMBERS

### Accounting and Tax Services

1	CST Tax	Australian
2	Deloitte Tohmatu Financial Advisory LLC	Other
3	SMATS Services Pte Ltd	Japanese

### Banking and Financial Services

1	Australia and New Zealand Banking Group Limited	Australian
2	Challenger Limited	Australian
3	Commonwealth Bank of Australia, Tokyo Branch	Australian
4	Macquarie Securities	Australian
5	National Australia Bank	Australian
6	Sumitomo Mitsui Banking Corporation	Japanese

### Computer, IT and Telecommunications

1	CommuniCloud Japan Co., Ltd.	Australian
2	IKEMU JAPAN	Japanese
3	Sofico Services Japan K.K.	Other
4	systemsGo Corporation	Japanese
5	Telstra	Australian

### Construction and Engineering

1	Maruhachi Tent Shokai	Japanese
2	Nishio Rent All Co., Ltd.	Japanese
3	Taisei Corpotation	Japanese

### Consumer Goods and Retail Services

- |   |                            |             |
|---|----------------------------|-------------|
| 1 | Graphico, Inc.             | Japanese    |
| 2 | K9 Natural Japan Co., Ltd. | New Zealand |

### Consumer Goods and Retail Services

- |    |                                   |             |
|----|-----------------------------------|-------------|
| 1  | ANZCO Foods Japan Ltd             | New Zealand |
| 2  | ECN Holdings                      | Australian  |
| 3  | Fonterra (Japan) Limited          | New Zealand |
| 4  | Harnet Corporation                | Australian  |
| 5  | Konishi Brewing Co., Ltd          | Japanese    |
| 6  | Meat and Livestock Australia      | Australian  |
| 7  | Murray Goulburn Ingredients       | Australian  |
| 8  | Nakashimato Co., Ltd.             | Japanese    |
| 9  | Nakazawa Foods Co., Ltd           | Japanese    |
| 10 | PJ Partners Inc.                  | Japanese    |
| 11 | Treasury Wine Estates             | Australian  |
| 12 | Ugly Caravan Pty. Ltd             | Japanese    |
| 13 | Village Cellars Ltd               | Australian  |
| 14 | Wine Australia                    | Australian  |
| 15 | ZESPRI International (Japan) K.K. | New Zealand |

### Government

- |   |  |             |
|---|--|-------------|
| 1 | Australian Embassy                     | Australian  |
| 2 | Australian Trade Commission (Austrade) | Australian  |
| 3 | New Zealand Embassy                    | New Zealand |

4	New Zealand Trade & Enterprise	New Zealand
5	Queensland Government Japan Office	Australian
6	Tourism Australia	Australian
7	Tourism New Zealand	New Zealand
8	Trade and Investment NSW	Australian
9	Victorian Government Business Office, Tokyo	Australian
10	Western Australia Government Office	Australian

### Hospitality, Tourism and Travel

1	Air New Zealand	New Zealand
2	AUR Investments	Australian
3	Crown Resorts Limited	Australian
4	Hilton Tokyo	Other
5	Hilton Tokyo Odaiba	Other
6	Oakwood Tokyo	Other
7	Qantas Airways Limited	Australian
8	The Peninsula Tokyo	Other

### Human Resources and Recruitment

1	Dale Carnegie Training Japan	Japanese
2	en world Japan K.K.	Japanese
3	H&R Consultants K.K.	Japanese
4	HummingByrd Inc.	Japanese
5	Robert Walters Japan K.K.	Other

### Insurance Services

1	AIG Japan Holdings KK	Japanese
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### Legal Services

1	Ashurst	Australian
2	Atsumi & Sakai	Japanese
3	Baker & McKenzie (Gaikokuho Joint Enterprise)	Other
4	Clayton Utz	Australian
5	Freshfields Bruckhaus Deringer	Other
6	Herbert Smith Freehills Gaikokuho Jimu Bengoshi Jimusho	Other
7	Hogan Lovells	Other
8	McDonald, Balanda & Associates (MBA LAWYERS)	Australian

### Manufacturing and Engineering

1	AMI-CHE Co Ltd	Japanese
2	HORITOMI Commercial & Industrial Inc.	Japanese
3	OHM Company Ltd	Japanese
4	Shinka Management Pty Ltd	Australian

### News, Advertising and Media

1	Nikkei Inc.	Japanese
2	Custom Media KK	Other
3	GPlusMedia K.K.	Japanese

### Real Estate

1	Daikyo Incorporated	Japanese
2	Goodman Japan	Australian

3	Lendlease Japan	Australian
4	Mitsubishi Estate Co., Ltd	Japanese
5	Servcorp Japan K.K.	Australian
6	Spring Investment Co., Ltd	Japanese
7	Tokyo Fresh (Uni-Hearbest KK)	Japanese
8	Global Sky Ltd.	Japanese

### Resources and Energy

1	Iwatani Corporation	Japanese
2	Marubeni Corporation	Japanese
3	Pacific Raw Materials Ltd	New Zealand
4	Rio Tinto Japan Limited	Australian
5	Woodside Energy Australia Asia Holdings Pte Ltd	Australian

### Translation, Interpretation and Editing Services

1	Nexus Translation Services	Australian
2	Business Grow	New Zealand

### Certification, Transportation and Logistics

1	Japan Mobility KK	Japanese
2	Kusuhara Transportation Co., Ltd.	Japanese
3	Jevic Co. Ltd	Japanese