

# The Treasury

## Report on Overseas Travel: Hon Grant Robertson: Japan and Viet Nam Information Release

January 2020

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Chair,  
CABINET

**REPORT ON OVERSEAS TRAVEL: HON GRANT ROBERTSON: JAPAN, 24 OCTOBER – 28 OCTOBER; VIET NAM, 25 OCTOBER – 30 OCTOBER AND JAPAN 30 OCTOBER – 3 NOVEMBER 2019.**

**Proposal**

1. I propose that Cabinet note the report of my travel to Tokyo, Japan and Ha Noi, Viet Nam, from Thursday 24 October 2019 to Sunday 3 November 2019.
2. I undertook bilateral engagements on matters relevant to my Finance and Sport and Recreation portfolios, and attended the semi-final and final matches of the Rugby World Cup 2019 (RWC 2019) in Japan.

**Report**

[1]

[1]

## *Japan*

6. The Ministry of Foreign Affairs and Trade has identified Japan as a key partner and is seeking to strengthen the relationship between our two countries. My visit contributed to New Zealand's broader strategic effort to lift the relationship and to advance issues relevant to both my Sport and Recreation and Finance portfolios. It also provided a useful opportunity to further build on the momentum achieved in the Prime Minister's visit on 18 -22 September.
7. *Finance:* I undertook a range of economic-related calls during my recent visit to Japan, including with Japan's Finance Minister, (and Deputy Prime Minister) Taro Aso, Japan's Economic and Fiscal Policy Minister, Yasutoshi Nishimura, representatives of financial institutions and companies that have investments in New Zealand, economists, and academics.

[1]

9. On the near term economic outlook, Japan faces similar headwinds to New Zealand, albeit with a more direct effect on its economy given the significance of Japan's manufacturing sector, and its intertwined trade relationships with and close geographic proximity to China, South Korea, and the US. I heard perspectives on the long-term economic challenges facing Japan and how they were being managed, including the impacts of an aging/shrinking population, migration, climate change and technological change on the economy and society.
10. I was also introduced to Japan's candidate for president of the Asian Development Bank (ADB), Masatsugu Asakawa, during his meeting with Minister Aso. Mr Asakawa is a Special Advisor to the Japanese Minister of Finance and is well-known to the Embassy. I have agreed to vote for Mr Asakawa to be the next ADB President.
11. *Sport and Recreation:* Whilst in Japan I had a number of sports-related calls with the Minister of Education, Culture, Sports, Science and Technology (MEXT), Koichi Haguida; the Minister of State for the 2020 Olympic Games and Paralympic Games, Seiko Hashimoto; Japan Sports Agency Commissioner, Daichi Hasegawa; and Katie Sadleir, General Manager Women's Rugby, World Rugby.
12. The meetings demonstrated the breadth of sports exchanges between New Zealand and Japan. Japanese Ministers emphasised the importance of leaving a strong legacy after hosting big sporting events, such as the Rugby World Cup and the Olympics and Paralympics. Japan is actively looking to use the increased global

attention to showcase how it is managing issues such as climate change and energy security.

13. I attended and spoke at the New Zealand Olympic Committee Gala dinner; visited the venue for the official New Zealand House during the Tokyo 2020 Olympics; spoke at Pride House Tokyo, which promotes diversity in sport with a focus on LGBTQ. In addition I represented the New Zealand Government at the semi-finals and finals games at the Rugby World Cup 2019, participated in the World Rugby Tournament Guest Programme and the NZTE Hospitality programme, which is used to leverage the RWC with prominent NZ businesses hosting Japanese customers and potential customers in a dedicated NZ themed environment.

*Viet Nam:*

14. Travel to Viet Nam provided an opportunity to build the mutual desire from both countries to upgrade the bilateral relationship to a strategic one. It also allowed for discussions of our respective hosting of ASEAN 2020 (Viet Nam) and APEC 2021 (New Zealand), as well as domestic approaches to inclusive growth and wellbeing, to future of work challenges and other areas of mutual interest for potential collaboration.

15. I undertook a range of finance and economic-related calls during this visit to Viet Nam, including with Viet Nam's Finance Minister, the State Bank of Viet Nam Governor who is also the Governor of the Asian Infrastructure Investment Bank, Chairman of the Communist Party Central Economic Commission and Chairman of the Ha Noi People's Committee. I also held a roundtable with economists and witnessed the signing of three MoU's spanning education, forestry and weather forecasting.

16. Viet Nam Ministers noted the strength of the Viet Nam-New Zealand relationship, and looked forward to this developing further with the planned upgrade of the bilateral relationship to a Strategic Partnership in 2020. It was agreed with Viet Nam's Minister of Finance, Dinh Tien Dung to work toward a Memorandum of Understanding between the Treasury and Ministry of Finance. The State Bank also expressed an interest in developing a closer relationship with the Reserve Bank of New Zealand.

17. On the near term economic outlook, Viet Nam is one of the few countries benefiting from the US – China trade conflict with foreign direct investment and exports increasing as firms increased production there to avoid tariffs (although this was under way before the trade war took-off given Viet Nam's lower production costs). Growth of around 7 percent was expected this year. <sup>[1]</sup>

[1]

## **Recommendation**

1. I recommend that Cabinet note this report.

Hon Grant Robertson  
**Minister of Finance**  
**Minister for Sport and Recreation**

December 2019