

the japan times

50th ADB annual meeting

THURSDAY, MAY 4, 2017



Asian economies grow through ADB financing and knowledge

HARUHIKO KURODA

BANK OF JAPAN GOVERNOR

I would like to welcome you to the 50th annual meeting of the Asian Development Bank. Thank you all for taking the time to join us here in Yokohama.

In the ADB's 50-year history, Asia has seen many of its member countries grow from low-income to middle-income nations. Indeed, a few member countries have succeeded in joining the category of high-income countries. The increase in Asian per capita GDP has been accompanied by narrowing income gaps between developing countries in Asia and high-income countries around the world. It has also brought a 20-year increase in the life span of Asian people and great reductions in extreme poverty. There is no doubt that the ADB has made significant contributions to these favorable outcomes throughout its 50 years.

During my eight-year term as ADB president, I realized that the ADB's contributions are the fruit of two kinds of capital. The first kind of capital is the financial capital provided for member countries' development projects. This financial capital has continued to reap major benefits, despite the many different needs and circumstances of the member countries. This fact tells us what the other capital has been. It is the ADB's intellectual capital, consisting of underlying thought, spe-



cific knowledge, and creative ideas. The ADB has provided this type of capital to individual member countries so that their development projects are carefully planned and well managed.

Nevertheless, we face challenges for the further prosperity of Asia. Not least of these challenges is the region's remaining poverty and inequality. All the events in this meeting will be good opportunities for us to learn something from the ADB's intellectual capital and to help the ADB expand the capacity for creating that capital. Therefore, I believe this meeting will help establish a bridgehead for a prosperous Asia in the next five decades.



Top left: The first business session of the Asian Development Bank's 49th annual meeting in Frankfurt, Germany, on May 4, 2016, was led by ADB senior management and chaired by Hans-Joachim Fuchtel, ADB governor for Germany. Bottom far left: A farmer checks soil in Mongolia. The ADB is helping ranchers combat the consequences of climate change by training them to cultivate fodder and animal feed that is more resilient to extreme weather changes, using plants that are adapted to the area. Bottom near left: ADB President Takehiko Nakao meets with Myanmar State Counsellor Aung San Suu Kyi, in Naypyitaw, on June 14, 2016. Above: ADB staff gather on the helipad of the ADB headquarters in Manila on April 20, 2016. ADB

Bank aims to streamline process, focus on infrastructure

AYAKO MIE
SPECIAL TO THE JAPAN TIMES

The president of the Asian Development Bank said that the bank will focus more on cleaner technology and quality infrastructure to meet steeply increasing infrastructure needs in Asia, a move that could potentially help Japanese companies invest more in Asian infrastructure, while working in tandem with multilateral banks such as the Chinese-led Asian Infrastructure Investment Bank (AIIB).

"The ADB and other multilateral banks, including the World Bank and the newly established AIIB, should strengthen its support," said ADB President Takehiko Nakao in an interview with The Japan Times. "But of course, very important parts should come from the private sector."

Nakao's comments come amid an increasing need for sophisticated infrastructure in Asia that accounts for 60 percent of global economic growth.

According to the ADB's estimate in February, Asia requires about \$26 trillion in infrastructure investment from 2016 to 2030, or \$1.7 trillion a year, if the region wants to continue to grow, eradicate poverty and respond to climate change. The estimate is more than double the \$750 billion that the ADB estimated in 2009.

Nakao said the increase in the estimate is attributed to the issue of climate change, which requires cleaner technology for mitigation, and renewable energy. The climate



Asian Development Bank President Takehiko Nakao

change initiative gained landmark momentum when then-U.S. President Barack Obama and Chinese President Xi Jinping last September agreed on carbon cuts in accordance with the Paris Agreement, which was struck at the 2015 U.N. Climate Change Conference, or COP 21. However, U.S. President Donald Trump has threatened to ax it.

The sharp hike in infrastructure needs is also due to the fact that people want better infrastructure as per capita gross domestic product of the people in Asia increases. Power and transport are the two areas that requires the bulk of the investment, with the ADB estimating that out of the \$26

trillion required, \$14.7 trillion will be for power and \$8.4 trillion for transport.

To address those target areas, Nakao said the ADB is trying to promote more advanced and cleaner technologies in its projects, things that could prove to be a big boost for Japanese companies.

Despite the quality, Japanese companies faced setbacks in successfully bidding on projects within the ADB sphere, where Japan and the U.S. have the two highest voting rights, and former Bank of Japan and Finance Ministry officials such as Nakao have served as presidents since the bank's inception in 1966. In 2013, Japanese companies bid on only 0.5 percent of the ADB's infrastructure projects.

While Nakao said that one of the reasons for low bidding rates by Japanese companies is that the Japanese technologies are more expensive and its equipment and machines are too state-of-the-art for civil engineering in some countries, while other countries such as China and South Korea are becoming more competitive in price and technology. The former Finance Ministry top official said Japan should strengthen its consultancy business to sell as a package to compete against its Western rivals such as European countries, Canada and the U.S.

"There is a very strong faith (in Japanese technologies), but it is sometimes pricy and we should also admit that in these emerging countries, companies are becoming more competitive and more high quality," said Nakao. "By putting consideration into

more quality elements when countries have competitive bidding, there are more chances for Japan or more advanced economies to engage in those procurements."

Yet Nakao, who replaced the bank's former governor Haruhiko Kuroda in 2015 and was re-elected for a second term last August, said that the Asian countries are paying more attention to maintenance costs and sustainability of the projects. Nakao, who has been consistently traveling to Asian countries, also said there is an increasing interest in using Japanese projects as model cases in some Asian countries.

"The countries are the borrowers and they implement the projects, so they decide who gets the procurements," said Nakao. "But we want to raise the standards in our procedures, by paying more attention to quality in addition to prices."

The ADB's new focus could also provide a powerful tailwind to Prime Minister Shinzo Abe, who has been upping his efforts to sell Japan's high-quality infrastructure as part of his Abenomics economic policy to buoy the teetering Japanese economy, especially after China established the AIIB to invest more in infrastructure not only in Asia, but in the Middle East as part of its "One Belt, One Way" project.

In 2015, Abe made a \$110 billion pledge to finance infrastructure projects in Asia over the next five years, a sum slightly exceeding that of the AIIB, in an apparent move to challenge the bank launched by the world's second-largest economy. Established just two years ago, the num-

ber of the AIIB member countries has already surpassed the Japan-led Asian Development Bank's 67 members. The AIIB took Japan and the U.S. by surprise when Canada announced it would join the Chinese-led initiative, leaving the world's largest and third-largest economies as the only non-AIIB members among their Group of Seven peers.

While many view the AIIB as a competitor of the ADB, Nakao said that it is a partner and not a rival as there is a huge need for financing in infrastructure.

"It's nice to have additional resources from the AIIB," said Nakao.

The fact is that the ADB cannot alone fulfill Asia's infrastructure needs, and the AIIB is relatively short staffed as compared with the ADB, which has several decades of expertise as a multilateral bank.

That is part of the reason why the ADB and the AIIB co-financed a road project in Pakistan and a natural gas infrastructure project in Bangladesh last year, with Nakao

noting that both banks are trying to seek more co-financing projects in coming years.

"We discussed many issues such as what we can do together and how to manage issues like social and environmental impact," said Nakao, referring to AIIB President Jin Liqun, who used to be the ADB vice minister, adding that he has met him nine times in the last two years. "So I regard him as a good partner as he is also interested in development and finance."

Still, Nakao admits there is much more to be done for the ADB to be a more efficient multilateral bank when there are increasing needs for infrastructure and development needs.

One is to make its operation faster and more efficient as there are some complaints that ADB procedures are not as quick as developing nations would like. Nakao also said that the ADB has to delegate more power to its 28 regional missions so that the bank can better respond to local needs.



50th ADB annual meeting

Asian GDP growth prospects bright in coming years

SHUSUKE MURAI
STAFF WRITER

Despite slowing growth in China, the economic prospects in Asia continue to remain bright, the chief economist at the Asian Development Bank said.

"The economic growth in Asia is still promising," Yasuyuki Sawada, who has served as the ADB's chief economist from March, said.

"Asia has, without doubt, become the center of the global economy, and the region's presence in the world will increase even further in the years ahead," Sawada said in a recent phone interview with The Japan Times. "In the past, many Asian countries were low-income economies. But today, many of them have become middle and even high-income countries."

Established in 1966, ADB has financed both the public and private sectors in Asia and the Pacific to foster their development projects such as infrastructure. With Japan and the U.S. being its two main shareholders, the Manila-based international financial institution membership is comprised of 67 countries and regions — 48 within Asia and the Pacific and 19 outside.

A former University of Tokyo professor who studied international economics, Sawada took over the chief economist role from Chinese economist Shang-Jin Wei in March to become the first Japanese to hold the office.

As the chief economist, Sawada's role in the ADB is to provide research and analysis that help the ADB and member countries reach reasonable decisions, in addition to serving as the official spokesman for the international bank.

Sawada said the recent economic growth in Asia and the Pacific has changed the region from the world's manufacturing base to key consumer market.

"Although Asia continues to play a sig-



Asian Development Bank Chief Economist Yasuyuki Sawada

nificant role as a production hub, it has also emerged as a place that generates a substantial amount of consumption as people's income levels have increased," he said. "Most of the world's middle-income population today lives in Asia. What we need to pay attention to is the fact that economic activity within Asia has become the core of the global economy."

The statistics certainly support Asia's growth prospects. According to the ADB's annual Asian Development Outlook report published in April, gross domestic product (GDP) growth in Asia and the Pacific would remain at 5.7 percent in 2017 and 2018, although the figure drops 0.1 percent from the 5.8 percent registered in 2016. It also forecasts the continued growth in Asia would deliver 60 percent of the global economic growth.

Another ADB report published in February forecast that Asia would need \$26 trillion in investment from 2016 to 2030, or \$1.7 trillion per year, on infrastructure such as transportation, power, telecommunications, water supply and sanitation if it maintains the current growth momentum.

However, one concern is slower economic growth in China. The ADB report in April forecast the growth of China will slow to 6.5 percent in 2017 and 6.2 percent in 2018, down from 6.7 percent growth in 2016.

Sawada said he believes the slowdown would not signal a weakening Chinese economy nor affect future growth of Asia, as it is largely due to China's strategy to shift its economic model from a production-driven economy to a consumption-driven economy, likening it to Japan's economic shift after its rapid growth period in the mid-1970s.

"I think the Chinese economy is at the phase of moving from a production-focused economy to a service-industry-driven economy — the phase that many of today's developed countries have undergone," he said.

Meanwhile, China is increasing its presence in Asia as it established the Asian Infrastructure Investment Bank (AIIB), which opened in January 2016.

A year after its launch, the Chinese-led international financial institution has attracted 70 membership countries and regions, already exceeding the ADB's membership of 67. Japan and the United States are the only G-7 countries that are not members of the AIIB.

Despite China's growing presence as an investor in Asia, Sawada said the ADB should continue to invest in the country to assist its growth because "China is such a significant player in Asia's economy."

"While China is evolving from a low-income economy to a middle-income economy, it still needs to change its industries to be more adaptable to climate change. And I believe ADB still has a role to play in these areas," he said.

Sawada also said that the AIIB's role in Asia would not collide with ADB activity. Rather, he said the ADB and the AIIB would become collaborators to boost Asia's further development together.

"There are \$1.7 trillion per year in infrastructure needs in Asia. But I believe support solely by multilateral development banks would not suffice, as currently they have only provided less than 10 percent of needed investment," he said.

"I believe the AIIB and the ADB would need to collaborate together to fill the abundance infrastructure needs," he said.

In fact, the two investment banks have already established co-financing relationships on some of Asia's development projects.

In June, the ADB announced it would partner with the AIIB on a highway development project in Pakistan as the first co-financing project between the two banks. Additionally, in November they agreed to co-finance a project in Bangladesh to boost that country's natural gas supply.

"As the AIIB is still young, I believe the ADB can help it by providing some know-how while collaborating together," he said.

Sawada didn't go into much detail regarding how U.S. President Donald Trump's

protectionist policies would affect the ADB's investment policy, saying, "It's still too early to judge," as the overall picture of his economic policy package has yet to be seen.

In March, Trump signed an executive order to roll back former President Barack Obama's climate change regulation policies so as "to lift the restrictions on American energy, to reverse government intrusion and to cancel job-killing regulations," according to the White House.

Trump's position on climate change conflicts with the environmental policy of the ADB that states "environmental sustainability is a prerequisite for economic growth and poverty reduction in Asia and the Pacific." In 2016, the organization invested over \$4.4 billion for mitigation and adaptation to environmental issues.

"I cannot say how (Trump's) policies would impact the ADB at this point," Sawada said, but added that he believes they would not pose significant risks to ADB activities.

With the economies in Asia and the

Pacific having shown signs of improvement, the next challenge is how to avoid the "middle-income trap," where the growth of a developing country slows after reaching a certain level, Sawada said.

The key is to pursue more efficiency in economies by beefing up investment in such areas as innovation, education and vocational training, as well as infrastructures to improve people's basic standard of living.

"The situation of poverty in Asia and the Pacific is dramatically improving from a quarter century ago, mostly thanks to the improving economy in China. But, despite undeniable economic growth, the regions have more than 300 million people who are living below poverty line — \$1.90 or less per day," he said.

"Although the situation is improving, we need to continue our efforts to eradicate poverty as long as there are people who are suffering," he said. "As the ADB's chief economist, I need to provide scientific evidence that help policymakers implement effective measures."



Left: Schools are funded as part of the Secondary Education Sector Development Program in Bangladesh. Above: View of the Asian Development Bank building in Manila. ADB

Meeting to address Asian advancement

The Board of Governors of the Asian Development Bank (ADB) will hold the 50th ADB annual meeting from Thursday to Sunday in Yokohama, where more than 3,000 participants from Asia and around the world are expected to gather to discuss development issues and institutional matters.

The event, being held under the city of Yokohama's concept of "Building Together the Prosperity of Asia," provides opportunities for member governments to interact with ADB staff, nongovernment organizations, the media, representatives of observer countries, international organizations, academia and the private sector. The ADB's annual meetings have become a premier forum for the discussion of economic and social development issues in Asia and the Pacific.

"The theme of the meeting shows our strong commitment to step into the future of Asia together in collaboration with other members of the ADB," Yokohama Mayor Fumiko Hayashi said in a video message. "We will contribute to foster future talent in Asia, promoting Yokohama efforts, including in sustainable urban development, international cooperation and the active participation of women."

The meetings will feature various speeches and panel discussions with prominent guests such as bankers, government officials and

economists. One discussion is "Actions for Sustainable Development in Aging Asia," in which panelists discuss measures to promote universal health coverage and sustainable development in aging societies by strengthening medical and nursing care systems.

Another seminar includes one sponsored by the Japan Bank for International Cooperation, "Future Prospect of Quality Infrastructure Projects in Asia through Public-Private Partnership." Others include "High-Level Roundtable on Central Banking in Asia" and "Advanced Clean Technology for Development."

In addition to seminars, participants can join tours to temples and other sightseeing spots in their spare time to make the most of their stay.

There are two official one-day tours designated for ADB participants. One involves a visit to a temple and a private residence in Yokohama on Friday, while the other features a trip to Lake Ashinoko, Hakone Shrine and other places in the Hakone resort area on Sunday.

Additionally, near the Pacifico Yokohama meeting venue are there many tourist attractions within walking distance, including the Yokohama Red Brick Warehouse, Cup-noodles Museum, Yokohama Anpanman Children's Museum and Mall, Yokohama

Noh Theater and Yamashita Park.

While Yokohama offers great convenience as an urban city near Tokyo with easy access to airports and sightseeing spots, Japan, as the lead country in terms of ADB investment, has previously hosted the ADB annual meeting four times.

Starting with the first meeting in Tokyo following the ADB's founding in 1966, the ADB Annual Meeting has been held in Japan every 10 years, with the exception of the 10th. The 20th meeting was held in Osaka in 1987, the 30th in Fukuoka in 1997, the 40th in Kyoto in 2007, while Yokohama hosts the milestone 50th meeting.

The annual meeting has been held mainly in Asia, such as the Philippines, where the ADB headquarters are located, South Korea, Singapore, Malaysia, Indonesia, Thailand, China, India, Turkey, Uzbekistan, Vietnam, Kazakhstan and Azerbaijan. It has also been held in Australia, Austria, the U.S., the Netherlands, Canada, France, New Zealand, Switzerland, Spain and Germany.

Every annual meeting, at least since the 37th, yields a Summary of Proceedings, about 300-pages long, containing the keynote and other speeches by ADB presidents and honored speakers, ADB financial statements, resolutions adopted at the meeting and other information.



WELCOME to YOKOHAMA

We fully support the 50th ADB Annual Meeting 2017 and their leaders, wishing for harmony and sustainable development in Asia and the Pacific.



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ADB history

Fostering Asian progress, prosperity

Marking the landmark 50th annual meeting this year, the Asian Development Bank has come a long way in supporting Asia on its journey to being the world's fastest-growing market.

The ADB was conceived in the early 1960s as an Asian-focused financial institution that would foster economic growth and cooperation in, what was at the time, one of the poorest regions in the world.

A resolution passed at the first Ministerial Conference on Asian Economic Cooperation held by the U.N. Economic Commission for Asia and the Far East in 1963 set that vision on its way to becoming a reality.

The Philippines capital of Manila was chosen to host the new institution, which opened on Dec. 19, 1966, with 31 members that came together to serve a predominantly agricultural region. Takeshi Watanabe was the ADB's first president.

During the latter years of the 1960s, the ADB focused much of its assistance on food production and rural development.

When the world suffered its first oil shock, the ADB increased its support for energy projects, especially those promoting the development of domestic energy sources, in member countries.

Co-financing operations, which have the ADB managing the funds of other organizations, provide additional resources for ADB projects and programs. The ADB's first bond issue in Asia — worth \$16.7 million and issued in Japan — took place in 1970.

A major landmark was the establishment in 1974 of the Asian Development Fund to provide low-interest loans to the ADB's poorest members.

By the end of the 1970s, some Asian economies had improved considerably and no longer needed the ADB's assistance.

In the wake of the second oil crisis, the ADB continued its support to infrastructure development, particularly energy projects. The ADB also increased its support for social infrastructure, including projects involving microfinance, the environment, education, urban planning, health issues and assisting women and girls.

In 1982, the ADB opened its first field office — in Bangladesh — to bring operations closer to the people in need. Later in the 1980s, the ADB began working with nongovernment organizations to help disadvantaged groups.

In 1995, the ADB became the first multilateral organization to have a board-approved governance policy to ensure that development assistance fully benefits the poor. Policies on involuntary resettlement and indigenous people were also put in place.

ADB membership continued to expand with the addition of several Central Asian countries following the end of the Cold War.

In mid-1997, a severe financial crisis hit the region, setting back Asia's economic gains. The ADB responded with projects and programs to strengthen financial sectors and create social safety nets for the poor. That year, the ADB approved its largest single loan — a \$4 billion emergency loan to South Korea — and established the Asian Currency Crisis Support Facility to accelerate assistance.

In 1999 — recognizing that economic development was bypassing many people in the region — the ADB adopted poverty reduction as its overarching goal.

With the new century, the ADB focused on helping its member countries achieve the U.N.'s Millennium Development Goals (MDGs).

In 2003, the severe acute respiratory syndrome (SARS) epidemic hit the region, making it clear that fighting infectious diseases requires regional cooperation. The ADB began providing support at the national and regional levels to help countries more effectively respond to avian influenza and the growing threat of HIV/AIDS.

The ADB has also had to respond to unprecedented natural disasters, committing more than \$850 million for recovery in the areas of India, Indonesia, Maldives and Sri Lanka that were hit by the December 2004 Asian tsunami. In addition, a \$1 billion line of assistance to help victims of the October 2005 earthquake in Pakistan was set up.

In 2009, the ADB's board of governors agreed to triple the ADB's capital base from \$55 billion to \$165 billion, giving it more resources to respond to the global economic crisis.

Asia moved beyond the economic crisis to emerge as a new engine of global growth

in 2010 when the region's gross domestic product increased by 9 percent. This was more than double the global growth rate during the same period and well above the 5.9 percent rate recorded in the region in 2009.

While the speed and strength of its economic recovery surprised many, the region still faced daunting challenges and remained home to two-thirds of the world's poor and a growing problem of inequality. This increasing gap between the rich and poor focused the ADB on the need to promote inclusive growth in the region.

In response to reforms initiated by the government of Myanmar, the ADB resumed operations in the country, and in April 2014, the bank established offices in Naypyitaw and Yangon.

In May 2014, plans were announced to combine the lending operations of the ADB's two main funds, the Asian Development Fund and its ordinary capital resources. The merger will boost the ADB's total annual lending and grant approvals to as high as \$20 billion — 50 percent more than the previous level — when it took

effect in January.

As the era of the MDGs draws to a close, the results have been mixed. While the ADB's work has contributed to Asia and the Pacific slashing extreme poverty by more than half, the region is still home to 1.2 billion people who live on \$3.10 a day or less and almost three-quarters of the world's underweight children. About 600 million people have no access to electricity and 1.7 billion still lack adequate sanitation. A huge amount of work still must be done with the new U.N. Sustainable Development Goals as important guideposts.

The text excerpt from ADB website



On Dec. 17, 1966, the ADB's first President Takeshi Watanabe and the board of directors hold the first board of directors Meeting at the ADB's temporary headquarters in the Metropolitan Building in Makati, the Philippines. ADB

(Publicity)

Mergers allow State Bank of India to mitigate risks, expand global presence

The State Bank of India (SBI), which traces its roots back to 1806, was transformed from the Imperial Bank of India by the Indian Parliament's enactment of the State Bank of India Act in 1955.

The State Bank Group is the largest banking group in India. Effective April 1, the Bank has merged its five associate banks, the State Bank of Bikaner & Jaipur, State Bank of Hyderabad, State Bank of Mysore, State Bank of Patiala and State Bank of Travancore, as well as the Bharatiya Mahila Bank.

With this mega-merger SBI has again displayed its ability to change and evolve to continue as the champion among banks in India and will join the league of top 50 banks globally in terms of assets.

The combined entity will enhance productivity, mitigate geographical risks, increase operational efficiency and drive synergies across multiple dimensions while



Arundhati Bhattacharya, Chairperson, State Bank Group

ensuring increased levels of customer satisfaction.

SBI has a network of 193 foreign offices spread across 35 countries covering all major time zones. The bank's present overseas expansion policy has an ambitious approach of separating potential areas for expansion into India-lagging and India-linked geographies. India-lagging countries are those in which the economy in general,

and the banking sector in particular, is less developed than that in India.

The largest presence of SBI is in Asia where it has 131 offices in 20 countries, including developed countries in the Asian region such as Singapore, Hong Kong, Japan and South Korea.

In Europe, SBI's largest branch presence is in Britain followed by Germany, France and Belgium. SBI has four offices in the U.S. where it also operates a subsidiary, SBI California.

Additionally, SBI has a subsidiary in Canada, as well as a branch in the Bahamas. SBI's branch in Sydney caters to the needs of clients in Australia and New Zealand.



Top: Then-ADB President Haruhiko Kuroda visits the Tsunami Emergency Assistance Project in Nagapattinam, India, on Oct. 15, 2007. Above: The Rajasthan Urban Infrastructure Development Project is an ADB-financed sewage treatment plant in Delawas, Jaipur. ADB gave its first loan to India on April 3, 1986. ADB

SBI merges 5 Associate Banks and BMB with itself. Joins the league of Global Top 50 Banks.

For details, visit bank.sbi

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Welcome to Yokohama

Reception (ADB Annual Meeting ID holders only)

Venue: Yokohama Museum of Art, The Grand Gallery

3-4-1 Minatomirai, Nishi-ku, Yokohama

Date and Time: May 6 (Sat.), 7 – 9 p.m.

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CONCORDIA

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Asia's future prospects

Boost domestic consumption to sustain fiscal growth

MASAAKI KAMEDA
STAFF WRITER

Asia's steady economic growth is likely to continue on the back of an upbeat global economy though concerns linger from trade policy uncertainties by the new U.S. administration under the "America-First" stance in addition to tighter immigration control around the world, economists said.

"The world economy is in a cyclical recovery stage, so it is likely that this momentum in Asia will continue for the time being," Toru Nishihama, chief economist at the Dai-ichi Life Research Institute, told The Japan Times. "Asia's developing economies are inclined to rally dependent on the upbeat global trend as many economies in the region have high export dependencies."

World growth is estimated to rise to 3.5 percent in 2017 and 3.6 percent in 2018 from 3.1 percent in 2016, according to the International Monetary Fund's World Economic Outlook released in April. In the meantime, the Asian Development Bank predicted developing Asian economies would expand by 5.7 percent in both 2017 and 2018 in its Asian Development Outlook 2017 published last month.

However, Nishihama expressed concerns that the recent anti-globalism tide

could interrupt such an upward trend that Asia enjoys thanks to the well-functioning flow of manpower, goods and capital.

"I'm very concerned about the moves by some countries looking to place tighter control on immigrants" who have become a pillar to support the economies in their countries of origin by transferring money from migrant destinations, Nishihama said. He added such immigrants could become human resources to help develop their homelands after they return.

On April 18, U.S. President Donald Trump signed the "Buy American, Hire American" executive order, calling for the overhaul of that country's skilled worker visa program. Australia announced it plans to tighten citizenship rules on April 20, while New Zealand said it intends to introduce tougher requirements for skilled overseas workers.

"We are absolutely committed to the principle of Kiwis first," New Zealand's Immigration Minister Michael Woodhouse reportedly said in a speech.

According to the Migration and Remittances Factbook 2016 by the World Bank Group's Global Knowledge Partnership on Migration and Development initiative, India topped the list of Top Remittance-Receiving Countries in 2015 with \$72.2 billion, followed by China with \$63.9 billion

and the Philippines with \$29.7 billion.

Moreover, the Trump administration could urge countries with which the U.S. has a significant trade deficit to decrease their trade surplus, Makoto Saito, an economist at NLI Research Institute said.

"Demanding to decrease the U.S. trade deficit for such countries means to increase the import of the American products," Saito said. "If they are pressured to scale back the volume of their exports to the U.S., they are forced to move relevant industries abroad, which could cause problems in their industrial structure."

U.S. government data shows nine Asian economies ranked among the top 15 trading partners that the country has a trade deficit with. China topped the list with a \$347 billion trade surplus, followed by Japan (\$68.9 billion), Vietnam (\$32 billion), South Korea (\$27.7 billion), Malaysia (\$24.8 billion), India (\$24.3 billion), Thailand (\$18.9 billion), Taiwan (\$13.3 billion) and Indonesia (\$13.2 billion) are also included in the 2016 figures.

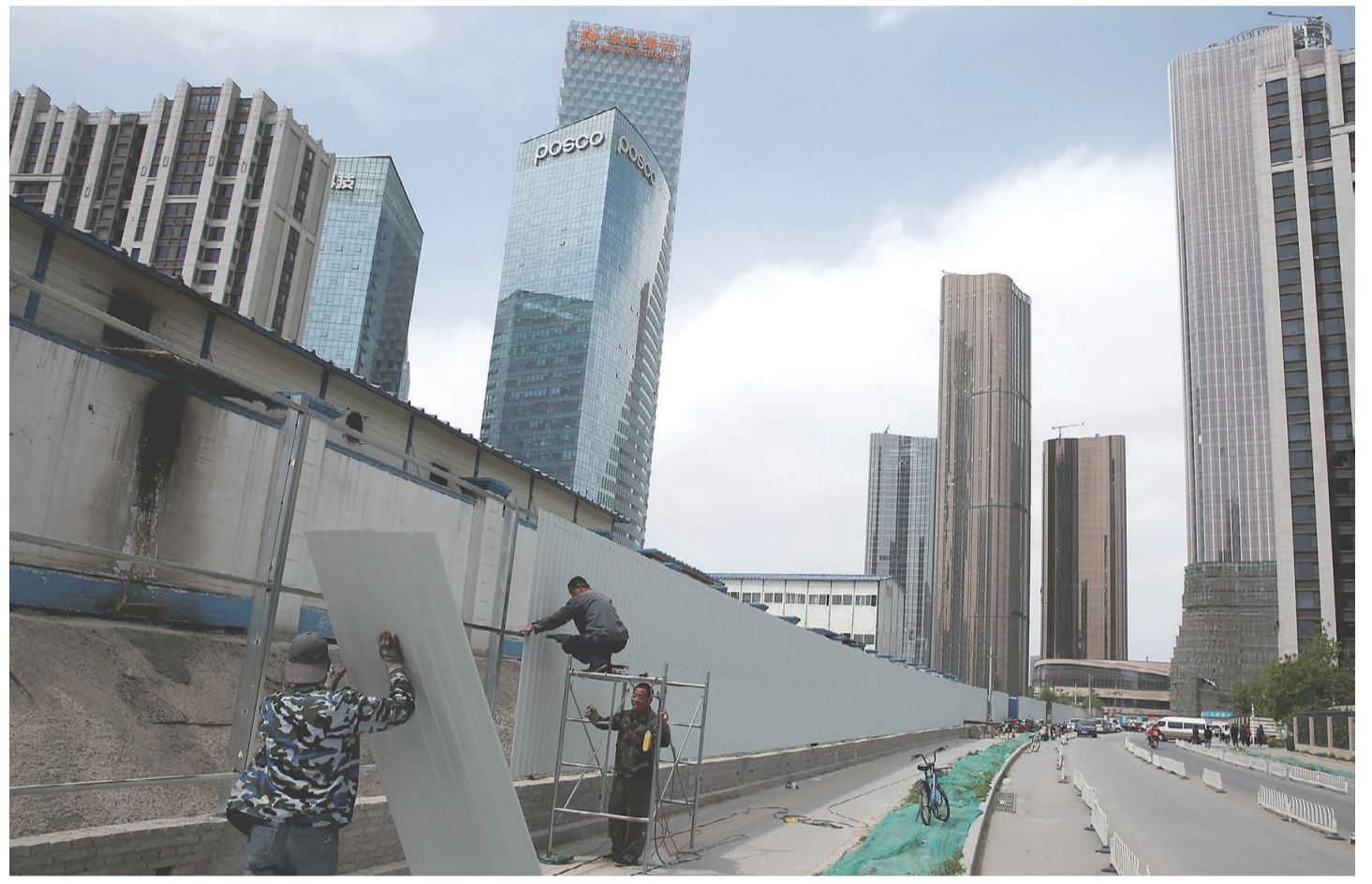
Amid such unclear external factors, it is essential for Asia's developing economies to further boost their domestic consumption to pursue steady economic growth, in addition to efforts on the export front, Nishihama pointed out.

"In that sense, developing infrastructure and putting a better investment environment in place are required. Then they have to invite investment and create the flow of manufacturing products within their borders and consuming them domestically," he said.

To that end, Nishihama stressed financial assistance is crucial from countries and international financial institutions such as Japan and the ADB.

In February, the ADB said in its Meeting Asia's Infrastructure Needs publication that developing Asia will need investment of \$26 trillion between 2016 to 2030, or \$1.7 trillion per year, "if the region is to maintain its growth momentum, eradicate poverty and respond to climate change."

Economists agree that to meet such demands for further growth, the economies requiring investment must undertake their own efforts to further receive financial support and increase budget revenue.



Workers build a fence at a construction site near recently erected office high-rises in Beijing on April 20. REUTERS

They need to come up with steady individual development blueprints, which are also coupled with larger and overall development plans, to show investors and aid providers that a specific plan works out comprehensively, Nishihama noted.

"There could be cases that a project doesn't make it due to a lack of a relevant legal system though some infrastructure may have been completed. Or the legal framework may have been properly introduced, but the execution was performed poorly. Bottlenecks could occur at various stages of a project," he said.

As a way to partly cover the cost of infrastructure development, NLI's Saito pointed out the economies need to further organize tax collection systems so that governments can boost tax revenues without omissions.

"They have to reinforce mechanisms to collect value-added and individual income taxes," he noted. "There needs to be work on improving the capture rate."

Saito also said developing local bond markets would be another source to procure funds for the relevant parties.

"If the scale and transparency of such a market is ensured, they are likely to have further financial arrangements with low rates since there could be many more lenders," he said.

Meanwhile, Nishihama argued that the roles of the private sector should be given more consideration for infrastructure development in developing Asian economies.

"There are many things that can be done by the private sector," Nishihama said. To decide what projects should be financed

through official development assistance, it is necessary for all the relevant players to discuss what each can be responsible for, he added.

As the ADB's leading country by investment ratio with 15.7 percent, there are many more things that Japan can do for the development of its neighbors, especially in the "soft side" of infrastructure development and other relevant work, experts agreed.

Nishihama pointed out Japan, in cooperation with international organizations, can contribute to crafting common rules necessary for infrastructure development and investment.

Meanwhile, Saito said the country needs to help nurture local talent that can handle management duties as various projects and businesses go local.



U.S. President Donald Trump speaks at a tool manufacturer in Kenosha, Wisconsin, on April 18. AP

Majority of Asian economies are expected to see short-term gains

The Asian Development Bank on April 6 released the Asian Development Outlook (ADO) 2017. The ADB's flagship annual report analyzes economic performance in the past year and offers forecasts for the next two years for the 45 economies in Asia and the Pacific that make up developing Asia. The following is a summary of the latest edition of the ADO, provided by the Manila-based bank.

Growth is picking up in two-thirds of economies in developing Asia, supported by higher external demand, rebounding global commodity prices, and domestic reforms, making the region the largest single contributor to global growth at 60 percent, according to the ADO.

In the report, the ADB forecasts gross domestic product (GDP) growth in Asia and the Pacific to reach 5.7 percent in 2017 and 2018, a slight deceleration from the 5.8 percent registered in 2016.

"Developing Asia continues to drive the global economy even as the region adjusts to a more consumption-driven economy in the People's Republic of China (PRC) and looming global risks," ADB Chief Economist Yasuyuki Sawada noted. "While uncertain policy changes in advanced economies do pose a risk to the outlook, we feel that most economies are well positioned to weather potential short-term shocks."

Industrial economies are gathering growth momentum, with the U.S., euro area, and Japan expected to collectively grow by 1.9 percent in 2017 and 2018. Rising consumer and business confidence and a declining unemployment rate have fueled U.S. growth, but uncertainty over future economic policies may test confidence. The euro area continues to strengthen, but its outlook is somewhat clouded by uncertainties such as Brexit. Meanwhile, Japan remains dependent on its ability to maintain export growth to continue its expansion.

The PRC's growth continues to moderate as the government implements measures to transition the economy to a more consumption-driven model. Overall output is expected to slow to 6.5 percent in 2017 and 6.2 percent in 2018, down from 2016's 6.7 percent. Efforts to maintain financial and fiscal stability will continue to be a modest drag on growth going forward, but contin-

ued structural reform will help to maintain growth in the government's target range.

South Asia remains the fastest growing of all subregions, with growth reaching 7 percent in 2017 and 7.2 percent in 2018. In India, the subregion's largest economy, growth is expected to pick up to 7.4 percent in fiscal 2017 and 7.6 percent in fiscal 2018, following the 7.1 percent registered last fiscal year. The impact of the demonetization of high-value banknotes is dissipating as replacement banknotes enter circulation. Stronger consumption and fiscal reforms are also expected to improve business confidence and investment prospects in the country.

Overall growth in Southeast Asia is forecast to accelerate further with nearly all economies in the region showing an upward trend. The region will grow 4.8 percent in 2017 and 5 percent in 2018, up from the 4.7 percent recorded last year. Commodity producers such as Malaysia, Vietnam and Indonesia will be boosted by the recovery of global food and fuel prices.

Growth in Central Asia is expected to reach 3.1 percent in 2017 and 3.5 percent in 2018, on the back of rising commodity prices and increased exports, albeit with large heterogeneity among countries in the region.

Meanwhile, countries in the Pacific will reach 2.9 percent and 3.3 percent growth over the next two years as the region's largest economy, Papua New Guinea, stabilizes following a fiscal crunch and Fiji and Vanuatu recover from natural disasters.

Regional consumer price inflation is projected to accelerate to 3 percent in 2017 and 3.2 percent in 2018 from the 2.5 percent registered in 2016 on the back of stronger consumer demand and increasingly rising global commodity prices. Inflation projections for the next two years, however, are well below the 10-year regional average of 3.9 percent.

Risks to the outlook include higher U.S. interest rates, which will accelerate capital outflows, although this risk is mitigated to some degree by abundant liquidity throughout the region. The effects of U.S. monetary policy tightening are likely to materialize only gradually, giving governments in Asia and the Pacific time to prepare adequately. Economies with

flexible exchange rates may experience deeper currency depreciation and subsequent higher inflation, while managed currencies will tend to forfeit export price competitiveness.

On the domestic front, rising household debt in some Asian economies is a rising risk. Authorities can counter this risk through good macroprudential policies, such as requiring tighter debt-to-income ratios for loans. Authorities may also have to intervene more decisively in housing markets to cool speculative demand and head off asset bubbles.

In the meantime, reforms to increase productivity on the basis of better innovation, education and infrastructure can help developing countries in Asia and the Pacific graduate to high-income status, the report said in its special theme chapter on

transcending developing Asia's middle-income challenge.

"Past development success in Asia and the Pacific means most citizens in the region now live in a middle-income environment," said ADB Chief Economist Sawada. "Policymakers will need to change their approach to reach high income. It is no longer a question of them using more resources to sustain growth, economies must become more productive to clear the final hurdle."

The report notes that in 1991 only 10 percent of the population in Asia and the Pacific lived in middle-income economies. By 2015, this had increased to over 95 percent of the region's population, fueled by growth in the region's most populous countries: the PRC, India and Indonesia.

To raise productivity, countries in

developing Asia will need to focus on innovation. Middle-income countries that successfully moved up to high-income status have more than two and a half times as much stock of accumulated research and development as middle-income countries.

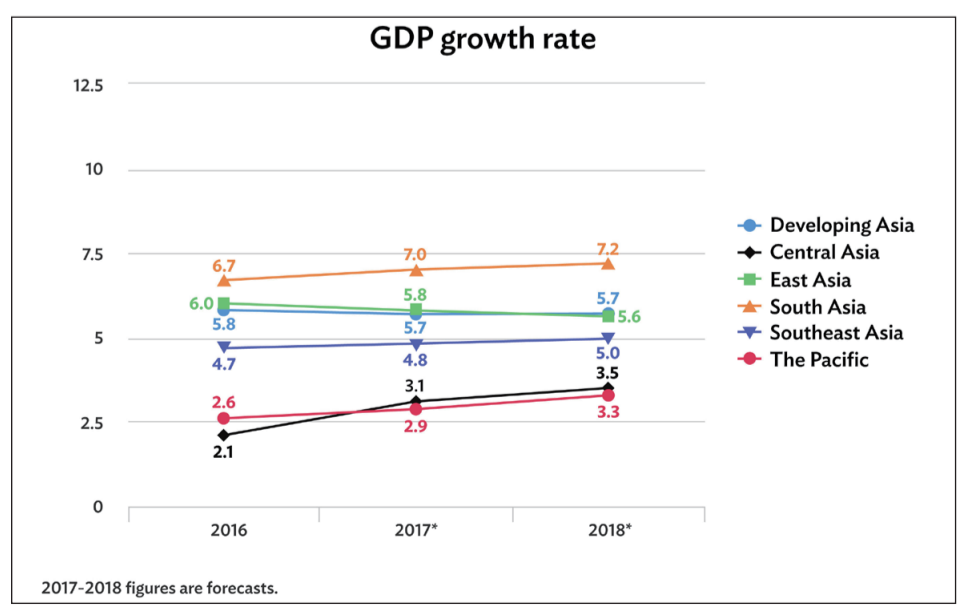
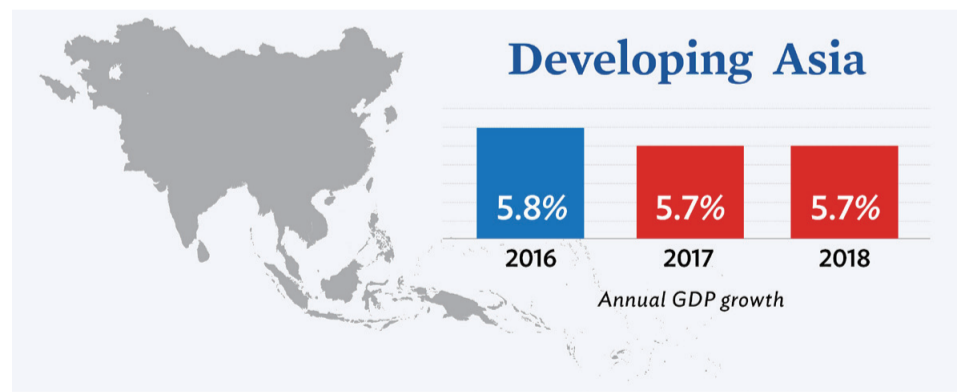
Innovation requires a skilled workforce, and hence an emphasis on improving education quality. The report estimates that a 20 percent increase in human capital spending per person can increase labor productivity by up to 3.1 percent. Sound educational policies can also promote equity and close the wide education gaps between developing Asia and high-income economies, while encouraging innovation and entrepreneurship.

Infrastructure investment, particularly in energy and information and communications technology, can contribute to inno-

vation and human capital, thus sustaining growth in middle-income countries. A one-time public investment in infrastructure equal to 1 percent of gross domestic product can lift a country's output by as much as 1.2 percent in seven years.

Asia's dynamic track record suggests that the journey to high income, while challenging, can be completed. Supportive institutions and policies, underpinned by macroeconomic stability, can strengthen the pillars of productivity growth — innovation, human capital and infrastructure.

For further information, see <https://www.adb.org/publications/asia-development-outlook-2017-middle-income-challenge> and the ADO 2017 can be seen at <https://www.adb.org/sites/default/files/publication/237761/ado-2017.pdf>.



Forecasts of gross domestic product growth announced by the Asian Development Bank in its annual Asian Development Outlook 2017 ADB

Breakdowns of GDP growth rates announced by the ADB ADB

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(Publicity)

city of Yokohama

Fusion of traditional spirit and modern convenience

Yokohama, the host city of the Asian Development Bank's 50th annual meeting, has successfully held a number of large international conferences, including the fifth Tokyo International Conference on African Development in 2013 and the Asia-Pacific Economic Cooperation summit in 2010.

The capital of Kanagawa Prefecture is one of the leading global cities in Japan, forging close ties with its Asian counterparts in various fields.

Development of Yokohama
Boasting around 3.72 million people, Yokohama is the second-largest metropolis and most-populous municipality in Japan.

Yokohama used to be a small hamlet with 100 houses before the signing of the Treaty of Amity and Commerce opened the Port of Yokohama in June 1859.

Since being the convergence point for foreign products entering Japan at the time, Yokohama has continued to develop, attracting open-minded people with progressive attitudes. Yokohama has been home to many Japan firsts, which later spread to the rest of the country. Such things include gas lamps, telegraph, horse racing, beer and ice cream.

Postwar urban challenges
Yokohama was heavily damaged by the Great Kanto Earthquake in 1923 and again in World War II, but each time it has risen, rebuilding anew.

The city came to experience problems specific to a large metropolis after Japan entered into its rapid economic growth period and the accompanying increase in population. Major issues included increased garbage, traffic congestion, environmental destruction, as well as lack of water and public land.

To address these issues, Yokohama undertook infrastructure development as a metropolis by implementing six flagship projects, which were the reinforcement of the waterfront urban central area such as the Minato Mirai 21 district, landfill work off Kanazawa in Tokyo Bay, the construction

of the Kohoku New Town residential community, a subway line, various highways and the Yokohama Bay Bridge.

The city also focused on reforms in living conditions. It was successful in its efforts to have the community more efficiently separate waste and, thanks to people's cooperation, the city succeeded in cutting 30 percent of the amount of garbage produced by residents and businesses.

To share these experiences with other Asian cities that have also experienced rapid development, Yokohama has provided technical assistance in cooperation with companies based in the municipality so that the accumulated know-how could be utilized for better urban development throughout Asia. Currently, technical collaboration is being extended in Cebu City, the Philippines, Danang, Vietnam, Bangkok and Batam, Indonesia.

Draw of Yokohama
The attraction of Yokohama comes from the fact that it is filled with international flavors as the city developed as a trading center and foreign cultures and technologies were introduced instantaneously.

People can most feel the exotic mood the city offers in Yamate, the site of a former foreign residential area, as many Western houses, churches and a cemetery still stand.

Alternatively, the Minato Mirai 21 district is a modern urban area with many high-rise buildings. The area offers a unique feel as there are still some buildings and structures dotted around that were built more than 100 years ago and used for trade and shipping.

Some of these structures include the iconic Yokohama Red Brick Warehouse that today houses upscale restaurants and shops. Additionally, the Kishamichi Promenade is a boardwalk created over former steam locomotive tracks. These historic structures attract people and naturally blend into the town in a marriage of the past and the present.

Yokohama Chinatown is a popular tourist spot in the city. It is one of the largest of its

kind in the world, featuring more than 600 shops, in which visitors can enjoy unique cuisine and goods from around China. Its history dates back to when the city's port opened. The long history of Chinatown shows that Yokohama has enjoyed strong ties with foreign countries and people.

Visitors from abroad are encouraged to appreciate the Japanese aesthetic fully in Yokohama. Sankeien Garden in the Honmoku area is a vast classical Japanese garden, featuring 17 historic structures transported from around Japan, including Kyoto and Kamakura, and carefully placed within the garden to perfectly blend in with the surroundings. The garden is an excellent space to best enjoy Japanese architecture effectively.

Various seasonal flowers add beauty in Sankeien, while the Sankei Memorial hall exhibits fine arts and crafts, and visitors are able to enjoy Japanese tea there. They are sure to be satisfied and relaxed in the peaceful space that is the essence of Japan, totally free from the city's bustle despite its location in the metropolis.

To get to know the city more intimately, visitors should not miss the Noge area near Sakuragicho Station. Popular among local residents, the streets there are lined with *izakaya* Japanese-style pubs. Easily accessible, Noge has a wide variety of popular items, including sake and yakitori.

Currently ongoing, the greenery and flower fair Garden Necklace Yokohama 2017 runs through June 4. A total of 1 million flowers decorate the whole city, which is sure to give visitors another reason to visit the town.

For ADB success
As the host city of the annual ADB meeting, Yokohama has committed to embody the concept of "Building Together the Prosperity of Asia" in the city's distinctive way, in addition to supporting the safe and smooth operation of the conference.

The city has conducted events for its citizens in collaboration with the annual ADB meeting in all 18 wards about a year before



The Port of Yokohama has long attracted people of all ages from around the world. YOKOHAMA PORT PASSENGER SHIP PHOTO CONTEST

the conference, offering them opportunities to experience Asian culture, food and music. These events gave Yokohama residents the chance to rediscover the city's connections with the region and better understand their neighbors.

Additionally, the city has held seminars to promote international understanding at 42 municipal elementary and junior high schools, allowing children to learn about world cultures and international contributions.

One unique way of Yokohama's engagement in the ADB conference is through cooperation in crafting the meeting's official program. During the annual meeting, there will be two official seminars proposed by the city of Yokohama.

The first is a seminar on promoting the role of women titled "Women's Leadership for Vibrant, Inclusive and Sustainable Asia." The ADB emphasizes the improvement of women's status among its various activities. However, as a matter of fact, the ratio of women in management positions is low, particularly in Asia.

There will be a panel discussion featuring prominent figures. They are Shamshad Akhtar, U.N. under-secretary-general and executive secretary of the U.N. Economic and Social Commission for Asia and the Pacific, Oyun Sanjaasuren, chair of the Global Water Partnership and former Mongolian minister of foreign affairs, Yutaro Shintaku, director and corporate advisor at Terumo Corp., ADB Vice President Deborah Stokes. Yokohama Mayor Fumiko Hayashi will also take part in the discussion as a panelist.

The discussion aims to take a step forward in furthering women's empowerment in Asia by sharing the experiences from the panelists, each of whom opened up a path to that end.



To meet demands for holding MICE (meetings, incentives, conventions and exhibitions/events) gatherings, a new facility slated to open in 2020 features a 7,600 sq.-meter hall, about 30 meeting rooms and a hotel.

The second seminar, titled "Reducing Poverty and Fostering Inclusive Economic Growth: Analysis and Practical Business Attempts by Youth in Yokohama," is on nurturing the next generation. Students from universities in Yokohama will compile suggestions through group discussions and propose them to the ADB.

In general, Japanese students are said to be unaccustomed to discussions in English and the aim of this practical seminar is to give them the chance to make strides in becoming world-class talents through this event. Prior to this seminar, Yokohama National University and Yokohama City University conducted fieldwork in the Philippines.

During the ADB conference, in addition to a stage for various events, there are booths promoting Japan and Yokohama. The city has carefully created the exhibit space, which functions as the center of networking among

the conference participants. Yokohama looks to shore up business ties in Asia by promoting its environmental policy, which is renowned at home and abroad, and the technical strength of firms based in the city.

Future conventions
Pacifico Yokohama is the main venue for the ADB annual meeting. The number of international conferences held at the facility has been the largest in Japan for over 10 years. A new facility to hold so-called MICE (meetings, incentives, conventions and exhibitions/events) gatherings is scheduled to be constructed in 2020, next to Pacifico Yokohama, allowing the city to meet increasing demand.

Thanks to the city's efforts, the door will surely be open further in the years to come, continuing Yokohama's connection to the world that began with the opening of the port more than 150 years ago.



Left: Students from universities in Yokohama prepare for a youth seminar at the ADB annual conference. Right: Yokohama has many residents from countries such as Vietnam and Cambodia. Various events related to the ADB meeting have provided citizens with opportunities to deepen exchanges.



Right: Yokohama has many residents from countries such as Vietnam and Cambodia. Various events related to the ADB meeting have provided citizens with opportunities to deepen exchanges.

Welcome to Yokohama!

Yokohama boasts a harmony of urban and historical scenery, as well as international and Japanese tastes. Enjoy the variety of attractions that Yokohama has to offer!



50th ADB Annual Meeting Yokohama 2017 May 4-7 Venue : PACIFICO Yokohama



Garden Necklace Yokohama 2017 This event, which runs through June 4, sees tourist-favorite Yokohama decorated with flowers and greenery.



Sankeien Garden A genuine Japanese-style garden, is beautifully maintained and serves as a fantastic showcase of historical architecture.



Yokohama Chinatown This is one of the world's largest Chinatowns with more than 600 restaurants and shops. Sample delicacies from various regions of China!

Culture and Tourism Bureau, City of Yokohama

Kobe beef

The attraction and appeal of the world's best beef

MICHIRU MEKATA
SPECIAL TO THE JAPAN TIMES

The sizzle and the smell whet your appetite. Take a bite, and you'll find the flavorsome meat literally melting in your mouth. Welcome to the world of Kobe beef that has captured the palates and hearts of gourmands over the years as the world's choicest beef.

History of Kobe beef

Until the late 19th century, consumption of meat from any kind of four-legged animal, let alone cows, was strictly prohibited in Japan. This all changed in 1868, however, as the country opened up to the world under the Meiji Restoration. Shunning the conventional traditional value system of the Tokugawa Shogunate that prevailed until then, the changes under the restoration allowed an Englishman to obtain a cow from the local farmer to eat. Eating beef from a foreign coun-

try can be difficult due to differences in cattle, but the man found the beef surprisingly good. Word quickly spread—particularly among foreign residents—that the beef from the Kobe-Tajima area was tender and delicious. Under the name of "Kobe beef," it began being exported to Europe and America. Due to such a unique background in modern history, Kobe beef is still a relative newcomer on the dietary chronology of mankind.

Turning to the broad categorizations of beef, two kinds of beef are generally considered to exist in Japan: wagyu (Japanese beef) and *kokusan-gyu* (beef from all cattle raised in Japan). Wagyu is further divided into the four breeds of black, brown, polled and short-horn. Tajima-gyu from which Kobe beef is produced, comes from the black breed. *Kokusan-gyu* refers to all cows raised domestically in Japan. This means that, regardless of what country the cow is from and what breed it is, a cow is classified as being *kokusan-gyu* if it has

spent more than half of its life in Japan.

Certification and cost

Delving further, Kobe beef specifically refers to meat from Tajima-gyu cows certified by the Kobe Beef Distribution and Promotion Council. The bloodline of the purebred seed-stock cattle of Tajima-gyu cows has been maintained in Japan since the 17th-century Edo Period. The long, untarnished lineage of Tajima-gyu has ensured the high quality of beef produced today. Raising cattle for the production of this high-end comestible requires a great deal of care and time, adding to the cost. Furthermore, the total amount of Kobe beef produced accounts for a mere 0.16 percent of the total beef that is distributed for consumption. Overall, such conditions as a whole make Kobe beef more expensive.

Only virgin cows or gelded bulls raised to maturity can become Kobe beef. Additionally, there are three more prerequisite conditions

for beef to be officially certified as Kobe beef. One is that the gelded bull or virgin Tajima-gyu cow must be born in Hyogo Prefecture from a Tajima-gyu cow having a pure lineage. Second is that the gelded bull or virgin cow must be bred and raised by a designated farmer in the prefecture. Finally, the animal must be slaughtered at one of the slaughterhouses in the prefecture. On top of that, the beef must pass a strict beef marbling standard grading test, weight limitations and other criteria and examinations. Owing to such a rigid quality-control system that is guaranteed by the 10-digit identification number attached to the meat at the butchers and restaurants, you can tell the cow's specific lineage, its place of birth and raising, its market and its certified grade as Tajima-gyu Kobe beef.

From a flavor perspective, fine-tasting Tajima-gyu Kobe beef is further known to have a good balance of *sashi* and *shimofuri*. *Sashi* is the fatty content of the scarlet-colored

muscle fiber, and is classified into two categories of coarse and fine. *Shimofuri* refers to the cut having a high degree of fat marbling.

Global fans

Owing to such stringent control over its breeding, rearing, butchering and production processes, Kobe beef is enjoyed by numerous celebrity gourmets from around the world as a gastronomic experience that cannot be missed when visiting Japan. More recently, then-U.S. President Barack Obama was known to specifically order Kobe beef upon his Japan visit in 2009. Various royal family members, as well as Hollywood stars and other celebrities, have also known to be enchanted by the aroma, taste and texture of Kobe beef. In fact, they are said to be so taken with Kobe beef that today's fans are making incognito visits to Tajima-gyu cattle farms to find out how the cows are actually raised.

Although Kobe beef has inspired the most

talented and skillful of chefs to create unforgettable gourmet experiences, "I personally think the best way to savor and appreciate it is to serve it simply, and enjoy the rich flavor and umami of the meat itself," says Japanese food coordinator Suzume Kurihara. Because of its full-bodied fattiness, her recommendation is to "appreciate the true taste of the meat itself with a sprinkling of natural salt and wasabi."

Whichever way it is served in any cuisine, another tip for enjoying Kobe beef to a fuller extent is to consume it together with the highest-quality Japanese sake; perhaps a chilled glass of "dai-ginjo" from the Kobe area that is also known for producing some of the best sake in Japan. High-quality, clean water is said to be needed for both good Kobe beef and fine sake, making sake from Kobe an ideal pairing.

A must-try, Kobe beef is sure to open a new door to your wining and dining experience.



Kobe beef refers to meat of Tajima-gyu cows certified by the Kobe Beef Distribution and Promotion Council. Kobe Beef is enjoyed by numerous gourmet celebrities from around the world as a gastronomic experience that is not to be missed when visiting Japan. ISTOCK

'Teppanyaki steak,' now loved all over the world, was born at Misono

Originally a cozy *okonomiyaki* shop in Kobe, Misono started serving "teppanyaki steak" cooked on an iron grill in front of customers in 1945. Here, Kobe beef was grilled instead of *okonomiyaki* upon the request of the Occupation forces. Guests can now enjoy over 320 brands of *kuroge wagyu* (black Japanese beef), including Kobe beef.

Teppanyaki Steak Misono
Kobe main store, Osaka, Kyoto, Shinjuku, Ginza
<http://misono.org/en/>
English, Chinese, Korean menus available
Service is available in English



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Directly connected to Ginza Station Exit A3, 5
Tel: 03-3571-8700
Lunch: 11:30 a.m. ~ 3 p.m. [L.O. 2 p.m.]
Dinner: 5:30 p.m. ~ 10:30 p.m. [L.O. 9 p.m.]
Closed: Sunday

KOBE PLAISIR GINZA

<http://www.bifteck.co.jp/en/>

Savor the best of Kobe beef in Ginza and Roppongi

The Roppongi branch of the popular Kawamura steakhouse headquartered in Kobe opened in March 2017. Families and friends can enjoy the tender, sweet taste of Kobe beef at a restaurant that offers private rooms.

Kawamura steakhouse in Roppongi
Urban Style Roppongi B1F, 4-2-35 Roppongi, Minato-ku, Tokyo Tel: 03-5775-6633
3 minutes from Roppongi station Exit A4
Daily 11:30 ~ 2 p.m. 5 ~ 10 p.m.

Kawamura steakhouse in Ginza
Brioni GINZA 8F 6-5-1 Ginza, Chuo-ku, Tokyo
Tel: 03-6252-5011
2 minutes from Ginza station Exit B9
5 minutes from Hibiya station Exit A0
6 minutes from Yurakucho station Exit C8
Daily 11:30 ~ 2 p.m. 5 ~ 10 p.m.

神戸ビーフ専門店
神戸ビフテキのガワムラ

Hakone sightseeing

Easily accessible from Tokyo, Hakone is home to many popular tourist attractions

Hakone flourished as a stopover on the road connecting Tokyo and Kyoto many years ago. It is said that many people have healed away the weariness of travel in this town where people today still enjoy the hot springs.

Hakone is located in the center of Fuji-Hakone Izu National Park. It is well-known as a hot spring spa and sightseeing destination. The area has been extremely popular not only for the beautiful natural vistas, but also for various museums and other leisure facilities, as well as festivals and events that visitors can enjoy throughout the year, such as the Hakone Ekiden, the relay marathon contested by university teams shortly after the new year.

Getting there
From Shinjuku: Take the "Romancecar," Odakyu's Limited Express, from Shinjuku Station to Hakone.
From Yokohama: Take the JR Tokaido Line from Yokohama to Odawara, then to Hakone.

Just 85 minutes!

The Romancecar is Odakyu Electric Railway Co.'s limited express train. Although the name is well-known by many people, there is no record of how the name came about. One theory is that the term is derived from an old trend in places such as movie theaters for two-person seats, which were called "romance seats," while another theory is that the name came about as Hakone was a very popular destination for honeymooners.

Direct trains between Shinjuku and Hakone-Yumoto started operating in 1950, and by the following year the Romancecar name had been established.

The cars that are currently operating as Romancecar have four models ranging from LSE (7000 type) that debuted in 1980 to MSE (60000 type), which debuted in 2008. All types of cars have enthusiastic fans and are familiar to many people, and each type of romance car offers a few types of seats to give a comfortable ride.

A limited express surcharge is required

to take the Romancecar. The total price from Shinjuku to Hakone-Yumoto is ¥2,080 (limited express surcharge of ¥890 plus the normal fare ¥1,190). The price is the same for all types of Romancecars. Reservations are accepted one month in advance, and tickets can be reserved online. Passengers can not only choose the desired train type, but also specify the seats, including the very popular observation deck seat or the saloon seat.

Romancecar information:
http://www.odakyu.jp/romancecar/line_up/
Price list:
<http://www.odakyu.jp/romancecar/charges/>
Multi-lingual Romancecar site:
http://www.odakyu.jp/global_site/
In-car menu:
http://www.odakyu.jp/romancecar/features/food_menu/

Odakyu Department Store

People can buy bento in the basement of Shinjuku's Odakyu Department Store before taking the Odakyu Romancecar straight to Hakone.

A variety of box lunches and deli items can be found on the second basement floor of the store — from authentic Japanese food to international dishes that people may be more familiar with.

There is a foreign customer service counter on the first floor, as well as a variety of shops on every floor. With assistance in several languages available, people can enjoy shopping comfortably.

Odakyu Department Store:
<http://www.odakyu-dept.co.jp/shinjuku/floorguide/>

Hakone Sightseeing Cruise

The Hakone Sightseeing Cruise, which is taken on a replica of a pirate ship, is one of the most popular tourist attractions.

The cruise on Lake Ashi is a well-known Hakone attraction, as well as the main mode of transport between the Hakone Ropeway Station at Togendai and the two townships of Motohakone-ko and Hakone-machi.

From the deck of the Hakone Sightseeing Cruise, passengers can enjoy the scenery of Lake Ashi, the vermilion shrine gate of Hakone Shrine, and a spectacular view of Mount Fuji on clear days. There are three different ships: the Vasa, Victory and Royal II. Passengers can enjoy a comfortable cruising experience on all three.

Chaya Honjin Hotoriya, the restaurant and souvenir shop located right by Hakone-machi port is an ideal spot to take a break, while enjoying the picturesque vista of Lake Ashi.

Hakone Pirate Ship:
<http://www.hakone-kankosen.co.jp/index.php>
Chaya Honjin Hotoriya:
<http://www.hakone-kankosen.co.jp/restaurant/hotoriya/index.html>

Hakone Ropeway

The charm of Hakone Ropeway is that it offers breathtaking views throughout the year. The Hakone Ropeway service operates at approximately one-minute intervals, and it takes 30 minutes from Sounzan Station to Togendai Station, both over 700 m above sea level. It also allows visitors to take in such spectacular views as the blue waters of Lake Ashi, the rising volcanic fumes around the Owakudani hot-spring area of Mount Hakone and the grandeur of Mount Fuji on a clear day.

After a volcanic eruption on Mount Hakone in June 2015, entry into certain areas of the Owakudani area was restricted until the density of volcanic gas receded and safety was assured. By July last year, restrictions were lifted and the area except for hiking trails and the nature observation path has reopened to the public.

The ropeway offers an exquisite view from above while surrounded by some of the most famous sights in Hakone.

Hakone Ropeway:
<http://www.hakoneropeway.co.jp/>

Little Prince Museum

The Museum of The Little Prince in Hakone (Museum du Petit Prince de Saint-Exupéry a

Hakone) is a museum in Sengokuhara that opened in 1999. The museum is dedicated to the titular character from "The Little Prince" written by Antoine de Saint-Exupéry.

The recommended sightseeing route of the museum is to go from the entrance, walking through the European Garden created by Garden designer Keiko Yoshiya, followed by Prince street, the exhibition halls, the church and the Chateau of Saint-Maurice-de-Remens. At the restaurant, visitors can enjoy the recently renewed menu items inspired by the book.

Also, the gift shops sell various goods related to the book, some of which are popular collectors' items.

Museum of The Little Prince in Hakone:
<http://www.tbs.co.jp/l-prince/>
Gift shop merchandise:
<http://www.tbs.co.jp/l-prince/shop/old/index.html>

Hakone Freepass

The Hakone Freepass is a discount excursion ticket offering full coverage of major sightseeing destinations in Hakone. The most popular places are Yumoto, Miyanoshita, Gora, Sengokuhara, Sounzan, Owakudani, Lake Ashi and Moto Hakone. The pass allows people to freely visit within a specified area, as well as providing discount admission to various attractions in the area.

Additionally, it includes return transportation on the Odakyu Line, as well as on eight different types of transport in the area, such as the Hakone Tozan Line and the Hakone Ropeway, allowing the freedom to thoroughly explore Hakone. The Hakone Free pass is valid for either two or three days.

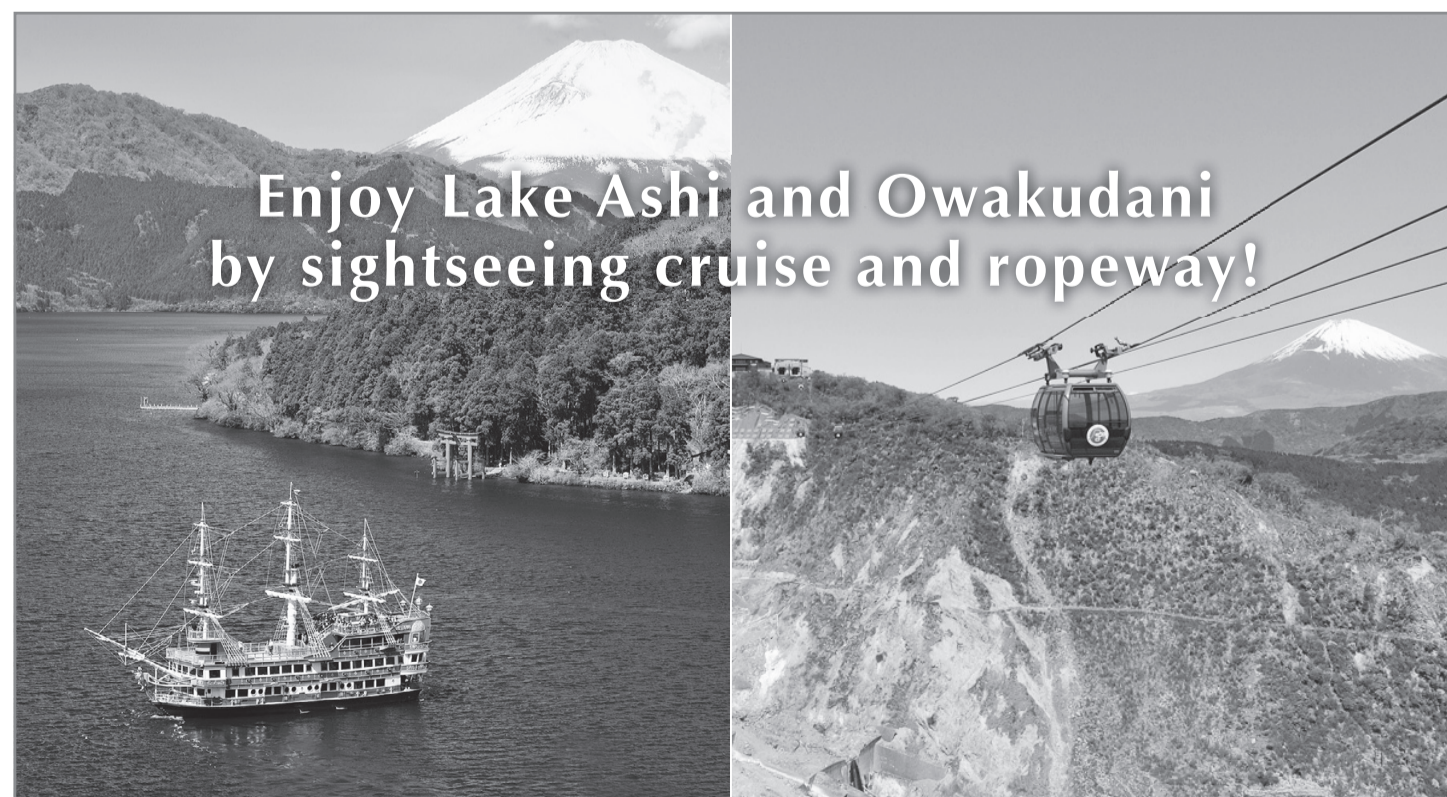
Hakone Freepass:
http://www.hakonenavi.jp/ticket/before/hakonefree01/ab_hakonefree01/



Top: Mount Fuji can be seen in the background of the Chureito pagoda. Above: The Museum of The Little Prince is a whimsical tourist attraction that should not be missed when visiting Hakone. ISTOCK / THE MUSEUM OF THE LITTLE PRINCE IN HAKONE



Left: Tourists can use the Hakone Freepass to visit Owakudani and many other tourist spots in Hakone. Right: The Hakone Ropeway offers breathtaking views of Mount Fuji and its surrounding areas. ISTOCK / HAKONE ROPEWAY CO., LTD.



Enjoy Lake Ashi and Owakudani by sightseeing cruise and ropeway!

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<http://www.hakone-kankosen.co.jp>

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Hakone Ropeway

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星の王子さまミュージアム
 箱根サンテプリンス MUSEE DU PETIT PRINCE DE SAINT-EXUPERY A HAKONE TBS

The Little Prince Museum is the world's only museum which explores the author Antoine de Saint-Exupéry's life and his fairy tale.
English audio app is now available!

Restaurant: Simmered asteroid hamburger; yellow snake pasta, etc.
 Access: Odakyu Hakone Highway Bus from Shinjuku Expressway Bus Terminal to Hakone-Sengokuhara
 The wrapped buses are running!
 9 a.m. - 6 p.m. (Last admission 5 p.m. Adult ¥1600, Junior ¥700)
<http://www.tbs.co.jp/l-prince>

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<https://www.web-odakyu.com/e-romancecar>

Hakone Freepass | Freely enjoy the Hakone area. With this ticket, the more you travel, the better the value.

Three key advantages of the Hakone Freepass

- 1 Unlimited travel on eight modes of transport, including the Hakone Tozan Line, Hakone Tozan Bus (within specified area), Cable car, Ropeway, and Sightseeing Cruise
- 2 Includes Odakyu Line Round-trip ticket (between Shinjuku and Odawara)!
- 3 Complimentary/discount tickets to around 50 tourist attractions and hot springs in the Hakone area!

For more information

Odakyu Electric Railway Website
<http://www.odakyu.jp/english>

Odakyu Official Facebook page
<https://www.facebook.com/odakyu.en>

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Yokohama tourism

Historic treasures at home in modern metropolis

MASAOKI KAMEDA
STAFF WRITER

The city of Yokohama has long attracted tourists with its rich tourism resources, based around its unique identity as a port city that opened its doors to the world more than 150 years ago.

The capital of Kanagawa Prefecture adjacent to Tokyo used to be a small fishing village, but the opening of the Port of Yokohama in 1859 turned the settlement into a bustling trade center that is now one of the largest cities in Japan, boasting about 3.72 million people.

According to Yokohama's Culture and Tourism Bureau, a record 37.6 million tourists visited the city in 2015. Its proximity to Tokyo and Haneda airport ensures travelers easy access to Yokohama. From both Tokyo Station and Haneda airport, it only takes about 25 minutes to get to Yokohama Station.

Many of Yokohama's popular tourist sites have deep ties with the city's history. For instance, Yokohama Chinatown in Naka Ward dates back to when Chinese merchants and traders arrived following the port's opening.

Stepping out of the nearby Motomachi-Chūkagai Station on the Minatomirai Line, visitors are soon immersed in the exotic atmosphere of one of the largest Chinatowns in the world. There are more

than 600 shops packed within the tiny 0.25-hectare district, which enables visitors to enjoy various Chinese food and culture.

Accessible by bus from Motomachi-Chūkagai Station, Sankeien is a 17.5-hectare traditional Japanese garden in the ward's Honmoku area. The vast garden was designed and landscaped by wealthy silk trader Sankei Hara who was based in Yokohama, the largest port for raw silk export in Japan. It's worth visiting to see many historical and valuable Japanese structures, relocated from all over Japan to the site.

Travelers getting off at the line's Nihon-odori Station will find a number of unique Western buildings among the many government offices and modern structures.

The Yokohama Three Towers — a group of historical buildings with distinctive exteriors — are the Yokohama Customs building, the Kanagawa Prefectural Government's Office and the Yokohama Port Opening Memorial Hall. They are nicknamed The Queen, The King and The Jack, though why they have such nicknames are unclear.

Among them, the neo-renaissance style Yokohama Port Opening Memorial Hall is designated as a national important cultural property. The best viewing spot of these iconic structures is arguably from nearby Osanbashi Pier.

The Osanbashi Yokohama Interna-

tional Passenger Terminal is a port of call for many cruise ships, including the Queen Elizabeth 2. It is the oldest pier in the city, originally constructed in 1894.

A short walk from the pier takes visitors to Yamashita Park, which offers magnificent waterfront views of the city. At the park, the ocean liner Hikawa Maru, launched in 1929 for Nippon Yusen, is permanently berthed and used as a museum ship. Waterbus and cruise ships are also operated from the park pier.

After strolling around the area and enjoying the ocean breeze, a view from above completes the sightseeing experience. The 106-meter Yokohama Marine Tower in front of Yamashita Park is an ideal choice for getting a bird's-eye view of the city and harbor.

The tower has served as one of the most-recognizable landmarks in the bay area since its construction in 1961 to celebrate the 100th anniversary of the port's opening. On clear days, visitors can see Mount Fuji in one direction and the Yokohama Bay Bridge in another from the tower's observation deck. The dazzling night view is also magnificent.

From Bashamichi Station, the Shinko area across Bankokubashi Bridge is a must-see. The iconic Yokohama Red Brick Warehouse used to be a government's customs inspection facility, and today houses many shops and restaurants in its two buildings that were constructed more than a century ago.

The five-story Cupnoodles Museum, formally known as the Momofuku Ando Instant Ramen Museum, is a unique interactive facility that allows visitors to learn the history of instant ramen noodles.

At the museum, people can create their own chicken ramen noodle, which was



Mount Fuji serves as a backdrop in an evening view of Yokohama icons such as the Landmark Tower and Yokohama Red Brick Warehouse. YOKOHAMA CONVENTION & VISITORS BUREAU

invented by the founder of Nissin Food Products Momofuku Ando. The Noodles Bazaar restaurant has the atmosphere of an Asian night market, and diners can choose from eight varieties of noodles from around the world. They include lagman from Kazakhstan, Lanzhou beef ramen from China, pho from Vietnam and laksa from Malaysia.

Famous for its giant Ferris wheel Cosmo Clock 21, Yokohama Cosmo World theme park is the place for those looking to sate their amusement park appetite. The family friendly park boasts the Kids Carnival Zone that has many rides children enjoy. The lighting at night creates a

romantic atmosphere for a stroll.

In the Minato Mirai area around Minatomirai Station, the 296-meter Landmark Tower lives up to its name. The second-tallest building in Japan houses offices, a hotel, shops and restaurants. An elevator takes only about 40 seconds to whisk visitors to the 69th-floor observation deck, where they can take in a panoramic view of up to 80 kilometers away.

At the foot of the tower lies a restored stone dock named Dockyard Garden. Additionally, the former training ship Nippon Maru is docked near the landmark building. After 54 years of service, the retired ship is open to the public, enabling visitors to walk around the decks. The adjacent Yokohama Port Museum introduces the port's history. Meanwhile, Kishamichi Promenade

is a 500-meter-long boardwalk created by overhauling an unused section of train track previously used by the former Japan National Railways. The promenade includes three bridges connecting the Nippon Maru Memorial Park and the Shinko area.

Outside the Pacifico Yokohama convention complex, lies the largest park in the Minato Mirai district. Rinko Park offers another impressive view of the port, and gives people comfortable respite on the grass.

There is another facility in Yokohama that will surely entertain children, as well as fans of all ages of the children's book and TV show character Anpanman. Near Shin-takashima Station, the Yokohama Anpanman Children's Museum and Mall is where people can enjoy the world and characters of Anpanman.



The Yokohama Port Opening Memorial Hall is designated as a national important cultural property. YOKOHAMA CONVENTION & VISITORS BUREAU



The Yokohama Marine Tower has been a symbol of the Port of Yokohama since its construction in 1961. YOKOHAMA CONVENTION & VISITORS BUREAU



A refreshing sea breeze welcomes visitors strolling in Rinko Park. YOKOHAMA CONVENTION & VISITORS BUREAU

PLAY

Gorgeous night views, an amusement park, the Yokohama Museum of Art, and plentiful shopping and dining — **MINATO MIRAI 21** has enough to keep you entertained for days.

Minatomirai Station

RELAX

From **Akarenga-Soko** to **Yamashita Park** the waterfront is a popular venue for events and a great place to relax during any season. The night view from **Osanbashi Pier** is not to be missed.

Bashamichi Station & Nihon-odori Station

EXPLORE

With hundreds of restaurants and street vendors to choose from, Yokohama's **Chinatown**, the largest in Japan, has endless dining options and is a center of activity throughout the year.

Motomachi-Chūkagai Station

Yokohama
Shin-Takashima
Minatomirai
Bashamichi
Nihon-odori
Motomachi-Chūkagai

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