

BELGIUM

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We Find the Way

日本通運

NIPPON EXPRESS

An excellent year for Belgium and Japan

Insights from Ambassador Makita Shimokawa

Belgium and Japan are celebrating 155 years of diplomatic relations. Bridges (by Synergy Media Specialists) spoke with Japanese Ambassador Makita Shimokawa on the long-standing relationship between both countries and Belgium's role and strengths within the European Union.



Makita Shimokawa, Ambassador of Japan to the Kingdom of Belgium

Bridges: How would you characterize current relations between Belgium and Japan?

Shimokawa: In terms of economic ties, people-to-people exchanges and an appreciation of one another's cultures, the bilateral relationship between both countries is excellent. The Japanese imperial family and the Belgian royal family share close ties and this important relationship is very dear to our hearts.

This year also happens to be the 100th anniversary of the visit of the late Emperor Showa to Belgium when he was crown prince in 1921. While this is an excellent year for both our countries, we are

living in exceptional circumstances due to the pandemic. As we enter the post-pandemic world, I hope we will make up for the past year and work towards making our excellent relationship even better.

What is Belgium's role as an investment destination and European headquarters for Japanese companies?

One aspect is Belgium's role as a hub for international transportation and traffic. The

country has important ports such as Antwerp and Bruges and during the pandemic, the Brussels Zaventem airport proved to be a very important hub for the transport of vaccines. With other important airports such as Liege and Charleroi, Belgium plays an important role in European Union and international transportation.

In terms of the European Union, Belgium is where new regulations are agreed upon and economic policies are implemented. Japanese companies, even those without manufacturing facilities in Belgium, are interested to come to Belgium to follow discussions on economic developments which may affect their European business. With high standards of education and technology, Japanese companies are investing in Belgium and expanding their research and development facilities in the country. One such Japanese company with a long history in Belgium recently announced to open a new research and development center in the city of Gent.

The pandemic is, of course, a sad story. However, it has shown to the world, including Japan, that Belgium is at the center of cutting-edge high technology, medicine, chemistry and innovation.

A company in Belgium has provided us with vaccines in large quantities. Initially the vaccines provided to the Japanese population were solely from Belgium manufacturing facilities before other countries began manufacturing and distributing vaccines to Japan. This shows that Belgium has a real strength in this area and explains why new investments and mergers are taking place between Belgian and Japanese companies, particularly in areas such as medicine, but also in green energy and offshore wind generation plants.

What is your vision for the future of the embassy in Belgium?

We intend to catch up on missed opportunities due to the pandemic. We still face obstacles in terms of the movement of businesspeople and tourists. Depending on the situations in Japan and Belgium, we would like to get back on track in

terms of our political, economic and cultural efforts and this includes arranging high-ranking visits and consultations between our two governments.

I understand next year the Belgian government intends to send an economic mission to Japan and I trust this will reinforce our close ties and shed new light on our bilateral relationship in terms of commerce and economic growth.

What message do you have for our readers?

The pandemic has given Belgium and Japan occasion to rethink and redevelop our bilateral relationship. Technology on both sides has enabled us to interact digitally and I hope that as we come out of this pandemic, or indeed even while we are still in it, we can learn to develop our relationship and find the merits and strong points of one another.

When I first arrived in Belgium, I wanted to bring the economic and political relations between Japan and Belgium to a higher level. The pandemic provided a push to our efforts to increase our cooperation and I am hopeful that we will continue to strengthen our relationship in the years to come. ♦

www.be.emb-japan.go.jp

Nippon Express: Delivering the goods in the heart of Europe

Belgium is a major gateway to the European continent and beyond. The country's role in the pan-European network led to Nippon Express, a leading Japanese logistics provider, establishing a subsidiary in Belgium in 1983.

Brussels Airport and the Port of Antwerp are the two most important logistics hubs in Belgium. The city of Liege, in east Belgium, and Ostend, a coastal city in the west, are increasingly becoming more important.

Nippon Express Belgium established an office in Liege this year. It is the first Japanese forwarder to set up operations in the region.

"Close to the Netherlands and German borders, Liege has become a very important economic region," said Tsuyoshi Ogihara, president of Nippon Express Belgium.

"We want to ensure we are close to our major customers in the chemical, automotive and pharmaceutical industries."

Michael Kamm, general manager of the Business Development Division, said: "Belgium is a highly important pharmaceutical player in Europe and we have made significant investments on a global corporate level in order to develop solutions for our pharmaceutical customers. Today we are able to deliver solutions across multiple geographic and business segments and we are ready to plug in pharma."



Nippon Express Belgium President Tsuyoshi Ogihara and Michael Kamm, General Manager of the Business Development Division

Nippon Express Belgium has continued to grow its non-Japanese client base. Today over 60% of the company's turnover comes from non-Japanese customers.

"We have strong relations with our global customers, many of whom we have worked with for over 20 years," Ogihara said. "This makes us quite unique amongst Nippon Express subsidiaries in Europe."

In an effort to strengthen the import and export gateway functions for both Liege and Ostend, the company recently launched chartering services between Liege and Narita Airport for air cargo import and export operations.

"The coronavirus pandemic resulted in a shortage of air cargo availability and our new service allows us to provide space to customers," Ogihara said.

In response to rising demand for trans-Atlantic air cargo transport, in May Nippon Express Belgium established a round-trip charter service between Ostend-Bruges International Airport and John F. Kennedy International Airport.

"We constantly listen to the needs of our customers to provide them with bespoke transport solutions and we will continue to leverage our strengths to provide the best service," Ogihara said. ♦

www.nipponexpress.com

Belgium: A European Union logistics hub

TRANSPORTATION AND LOGISTICS

Why Belgium

- State-of-the-art multimodal Infrastructure
- Geographically positioned in the heart of Europe
- 80% of European purchasing power is within an 800-km radius of Brussels
- Belgium is a gateway to 500 million European customers

Maritime history

- Maritime tradition spanning two centuries
- Adjacent to the North Sea and the English Channel, one of the world's busiest sea routes
- Conti-Lines, a family-owned shipping company with close to a century of history, has been working with Japanese companies for over 70 years

MODES OF TRANSPORT

Rail

- A pioneer in the development of the European railway network

Road

- After the Netherlands and Luxembourg, Belgium has the highest motorway infrastructure density (58 km/1,000 sq. km)

Sea

- Connected by two major rivers (Scheldt and Meuse)
- Four sea ports
 - Port of Antwerp — second-largest port in Europe and 14th-largest container port in the world
 - Port of Zeebrugge — International Car Operators, a 100% subsidiary of Japan's Nippon Yusen Kaisha (NYK), operates from here
 - North Sea Port (Ghent) — Honda Motor Europe Logistics is located here
 - Port of Ostend

Airports

- Six major airports
 - Liege — Nippon Express recently opened an office in Belgium's premier cargo airport
 - Antwerp
 - Brussels
 - Brussels South Charleroi
 - Kortrijk-Wevelgem
 - Ostend-Bruges

CHEMICAL HUB

- Europe's largest and the world's second-largest integrated petrochemical cluster
- Eight of the world's 10 largest chemical companies operate in Flanders, including Japan's Kaneka and Nippon Shokubai

"Our location and international sea and airports make our country a true strategic hub and gateway to the European market. As a result, the region around the Port of Antwerp grew into the second-largest chemical cluster in the world and Europe's largest petrochemical center. All of this is highly appreciated by Japanese companies and plays an important role for several sectors and investors."

Professor Gilbert Declerck, president of the Belgium-Japan Association & Chamber of Commerce

PHARMACEUTICAL HUB

- Japan's ANA Cargo launched three direct flights per week between Brussels and Tokyo in October 2020
- Air cargo from Belgium to Japan indicates pharmaceuticals accounted for 42.4% of trade in 2019 and 44.9% during the first eight months of 2020
- Ranked No. 3 among 27 European Union states, Belgium spent €3.6 billion on pharmaceutical research in 2018

COVID-19 VACCINE MANUFACTURING HUB

- Most of the 1.3 billion COVID-19 vaccines Pfizer Tech hopes to deliver in 2021 will be produced in the factory town of Puurs, a few kilometers north of Brussels Airport
- The world's first flight carrying COVID-19 vaccines departed Brussels Airport on Nov. 27, 2020

Honda sees a cultural fit in Belgium

With operations in Belgium dating back to 1978, Honda Motor Europe Logistics (HME) transports Honda cars, motorcycles, power products and industrial engines to Honda dealers and distributors across Europe.

The Japanese car giant's European headquarters for product logistics and parts sales is located at one of Europe's largest ports: the North Sea Port.

In 2014, HME merged with the Honda factory, which was established in 1962, in Aalst, on the Dender River in Belgium. Last year HME's sites were certified as Sustainable Development Goal Pioneers by the United Nations for their sustainability initiatives.

Bridges (by Synergy Media Specialists) spoke with HME President Yoshiaki Nisa.



Yoshiaki Nisa, President of Honda Motor Europe Logistics (HME)

"Honda, along with other Japanese companies, continues to flourish today in Belgium."

YOSHIAKI NISA
President
Honda Motor
Europe Logistics (HME)

Bridges: How important is Belgium within Honda's European business?

Nisa: HME is at the heart of logistics for all spare parts and product lines. Our warehouses and parking areas are located in the North Sea Port and are easily accessible by boat, truck and train and in recent years,

we have used barges for the transport of certain categories of spare parts. We handle around 25,000 parts orders on a daily basis.

Next to our operational importance, HME contributes significantly to Honda's European turnover, mainly through sales of spare parts and industrial engines.

Our Information Services Division (ISD) is also an important pillar of our European IT activities. Our IT associates contribute to solution delivery, ISD planning and service management.

What are Belgium's economic strengths?

Belgium has several strengths. First of all, there is the geographical advantage. Belgium is located in the center of Honda's customer potential, right in the middle of the so-called Blue Banana (the Liverpool-Milan axis). From there, we can deliver to 80% of Honda's customers within 24 hours. All products and parts reach us via the ports of Rotterdam and Antwerp and are shipped from there by truck or barge. Another strength and one not to be underestimated, is the people. Belgians have a very pragmatic approach and a "can-do" mentality. They like challenges, which is cer-

tainly a plus in these current times.

What message do you have regarding Belgium-Japan relations?

When Honda decided to establish its first overseas factory in Belgium in 1962, the company clearly saw a "cultural fit." Honda, along with other Japanese companies, continues to flourish today in Belgium. This proves that the cultural fit we share as countries and societies is very strong and indeed, future-proof.

Belgium and Japan show great resemblances in their capability to adapt to changes in their environments. This has not changed over the years and is a solid foundation on which to base our future relationship. ♦

www.hondamotoreurope.logistics.com

HONDA
The Power of Dreams

Conti-Lines: Committed to growth in the Japanese market

"Honor, reliability, trust and respect: These are the key values when doing business in Japan" said Jean-Frederic Brion, executive chairman of Conti-Lines. "Exactly because of these values — which are paramount in the Japanese culture and in the way they do business — our company is drawn towards the Japanese market."

Established in 1923, Conti-Lines, a subsidiary of Conti7 Maritime Holding Group, is a family-owned shipping company with a rich tradition of owning and operating ships.

Offering first-class specialized maritime transportation services using a diversified fleet of handysize to ultramax dry bulk vessels, the company has worked closely with Japanese partners for more than 70 years and these relationships continue to evolve. It all started with Kennedy Hunter (a group entity of Conti7) being a dedicated agent for a Japanese car carrier business in the early 1950s.

Conti-Lines has been chartering Mitsui OSK vessels to Latin America on a regular basis since 2003.

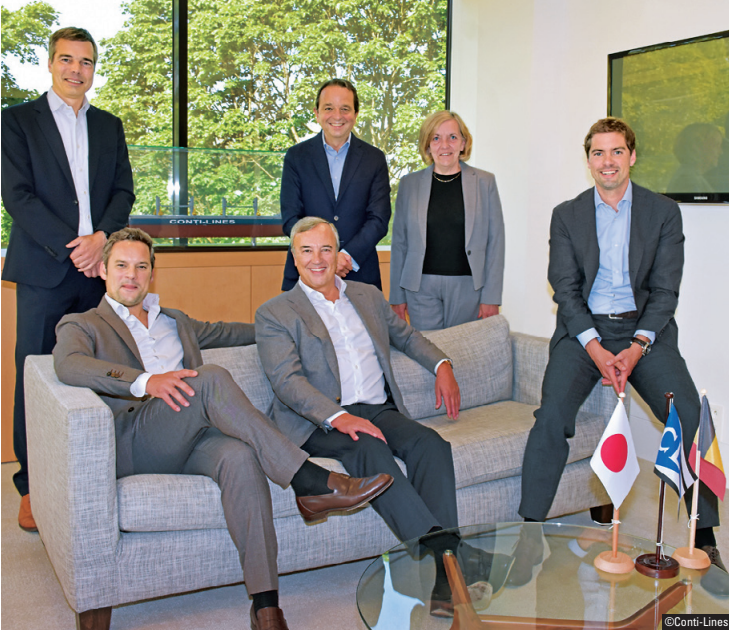
In 2005, both companies further strengthened their business venture by setting up an operating partnership for carrying Japanese steel from leading producers and traders to markets in South America and Africa.

"In recent years, our relationship has widened, resulting in increased tonnage and a rise in business we do together," Brion explained.

"We have purchased second-hand vessels from Japanese owners and entered into long-term chartering contracts with them. Over the years, our relationship with major Japanese trading houses steadily intensified and, as such, our commitment to the Japanese market has significantly strengthened."

With major growth seen across the global shipping industry since January, Brion is bullish about the future.

"We see a great deal of potential for Conti-Lines to expand further. We have always had a broad cargo base and are now capitalizing on this strength by enhancing our tonnage capacities, reaching out to new customers and increasing the number of routes we offer. These specific and challenging tasks are entrusted to my son Jean (director and a third-generation family member) and his professional and highly qualified team."



The team at Conti-Lines is dedicated to Japanese trade.

"In the next five years we expect to see a major upturn in our activities and it is an exciting time for us. To reach this point in its journey, Conti-Lines has 'sailed' exceptionally well, even through

rough seas. Today we are in a good position and we look forward to further developing our business and establishing even closer ties with our friends in Japan." ♦

www.contilines.be

Proud of our
shipping tradition
and expertise



Conti-Lines