

longform



mental responsibility to the heart of their work. Also increasingly requested is "lower impact packaging," such as paper-based Bento boxes and explanations of how the packaging will be separated and reprocessed after the meal.

Takanawa Gateway Convention Center plans to promote "environmentally friendly procurement and resource conservation" as "sustainability is an important factor for many domestic and international clients when selecting a venue," according to its spokesperson.

Hilton Tokyo has experienced this trend first hand, with more requests for healthier and local options, such as nuts and fruit, and less plastic use, says Frankel. The next step is removal of table linens in the third floor event spaces, in part to eliminate the environmental impact of laundering them.

Some market changes are independent of green considerations, though. Frankel has met demand for "elevated food and beverage and dedicated coffee machines" as well as access to snacks and drinks throughout the day due to an uptick in frequency of breakout sessions, "coffee chats" and other types of networking at events.

Unlocking potential

Under the government's New Tourism Nation Promotion Basic Plan, which runs until March 2026, Japan aims to host the most international conferences in Asia and be among the top five business event destinations in the world by 2030 — despite being some way off from meeting those targets.

In 2023, Japan came seventh in the International Congress and Convention Association (ICCA) rankings, with 563 ICCA-recognized meetings held over the year compared to the top performer, the United States (690 meetings). Only two Japanese cities were placed in the Asia-Pacific listing: Tokyo ranked third with 91 meetings, behind Singapore (152) and Seoul (103), while Kyoto ranked 10th place (41).

Still, Mathias Posch, chairman of Canada-based professional conference organizer International Conference Services, told attendees of Japan MICE Expo that "Japan has a big opportunity to pick up more of the international market" for events. International associations looking to Asia for meetings have been consolidating in Singapore and Thailand but will soon want other options, he said, adding that Japan's advantages include safety and the weak yen.

Some in the industry, though, believe that accommodating new demands related to spaces, technology, cuisine and sustainability is only the beginning.

"Don't tell (buyers) what you can do," Max Boontawee Jantsuwan, managing director of Bangkok-based destination management company and events agency Events Travel Asia, told attendees at Japan MICE Expo. "First, listen to what they want. If you tell them what you can do, you half shut the door (to hosting the event). Flexibility and understanding is important."

The Japanese approach to business events is "usually about what they can deliver rather than what the client wants; it's a different mentality," agrees Naomi Mano, president and CEO of Tokyo-based hospitality and event management company Luxurique, which caters to the international market. "We're trying to bridge that gap between clients and suppliers."

If Japan is successful, the rewards are vast — not only for the MICE market but also for the travel and tourism sector, according to Posch.

"Japan is going through a boom in tourism — that can bring backlash. What is the argument for growing the MICE industry still? There needs to be a mindset that (MICE) offers something different (from tourism)," he says, citing the economic value and societal impact of business events.

U.N. Tourism describes MICE as "a key driver of economic growth, regional cooperation and intellectual development." Business events can also support research development, educational and cultural exchange, sustainability efforts, and diversity and inclusion initiatives. With so much to offer, it's unsurprising that Japan considers MICE a priority market in its tourism strategy.

Hilton Tokyo completed renovations to its third floor in October as a way to attract a larger share of the business tourism market. COURTESY OF HILTON TOKYO



A boom for business tourism in Japan?

With record tourism and Expo 2025 Osaka on the horizon, event venues are racing to upgrade amid MICE demand

KATHRYN WORTLEY
CONTRIBUTING WRITER

As a destination, Japan has never been so popular. Between January and September, international visitors totaled 26.88 million, surpassing the total number who arrived in 2023 and making it likely this year's total will exceed the 31.88 million recorded in 2019, according to the Japan Tourism Agency.

While tourists comprise the lion's share of arrivals, more people are entering the country for meetings, incentives, conferences and exhibitions — a type of tourism those in the industry refer to as "MICE." And with Osaka hosting Expo 2025 next year, it is expected the number of business event attendees will continue to rise. Indeed, the inaugural Japan MICE Expo, hosted by Osaka in October, was held due to growing interest among companies and organizations "to have events in Kansai next year, to coordinate with participants attending the Expo," according to Hideki Tsutsui, secretary general of the organizing committee.

Japan's tourism stakeholders claim that leisure visitors have different priorities than they did before the pandemic, namely travel focused on wellness, experiences, community engagement and sustainability, according to global association Destination International. Likewise, MICE organizers and users have new needs and higher expectations, which the private sector is striving to meet.

For meetings and events, demand is rising for adaptable spaces, integrated high-end technology, flexible food and beverage options, and greater environmental consciousness.

"It was happening a little before COVID but has accelerated post-COVID. Meetings are changing, and every meeting request is different," says Leo Frankel, commercial director of Hilton Tokyo. The Shinjuku hotel, which ranked first in Japan and fourth in the Asia-Pacific region on the 2024 list of top meeting hotels by event tech provider Cvent, is catering for the evolving market with a phased revamp of its event spaces, culminating in a renewal of its ballroom in summer 2025.

In October, Hilton Tokyo completed a multimillion dollar renovation of its entire third floor, adding 200 square meters of meeting space to 1,000 existing square meters to create four meeting rooms, five function rooms, one pre-function room,

three break-out areas and one lecture hall. With a focus on flexibility, functionality and convenience, large and adjoining spaces can be connected, split and orientated in multiple ways to accommodate meetings of various sizes.

Enhancing the guest journey during events and creating more engaging areas was also paramount during development, says Frankel, noting Hilton Tokyo added a glass wall to let in more light and adopted blue tones in its interior design to create calming spaces.

As the hotel has been experiencing a surge in post-pandemic demand from clients based all over the world for MICE, he expects the new spaces to be extremely popular.

Highly adaptable rooms are performing well throughout Japan. At Daimyo Conference, which opened in the heart of Fukuoka in April 2023, bookings have exceeded initial forecasts. Functions held are as diverse as academic conferences, presentations of company products and services, press events and recruitment information sessions.

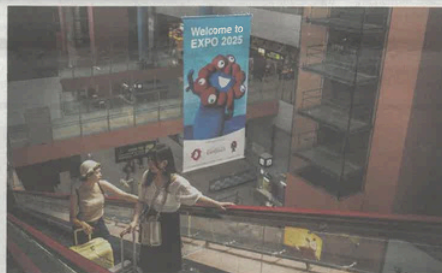
The facility's nine rooms, which can accommodate meetings of up to 200 people, are located on one floor to minimize transitions between venues, with a cross-lounge foyer offering breaktime views of the lawn garden and outdoor plaza below, which are available for events such as parties and exhibitions.

"Most of our rooms have doors that open in multiple directions, allowing for a highly customizable and flexible space where participants can come and go as their interests dictate," says spokesperson Ryoko Matsuka. "Different spaces are needed for events of various sizes and purposes, and the more flexible they are, the more convenient they are for event organizers and participants," agrees a spokesperson from the East Japan Railway Co. The railway operator began accepting bookings in July for Takanawa Gateway Convention Center, which is scheduled to open in March 2025.

The new venue, comprising the 1,640-square-meter Linkpillar Hall, seven



Luxurique CEO Naomi Mano says Japanese venues need to cater to customers more.



midsize spaces and four anterooms, is designed to host seminars, conferences and exhibitions for up to 2,000 people. Furthermore, areas like Takanawa Gateway Station plaza will serve as additional MICE spaces, either for digital displays or outdoor events, as part of plans to make the under-construction Takanawa Gateway City a "unique MICE venue."

Tech upgrade

In the past, Japan has lagged behind its Asian counterparts in tech capability for business events, according to buyers. Alicia Yao, managing director of Beijing-based event services provider IME Consulting, told attendees at the Japan MICE Expo that Chinese visitors have been disappointed by the lack of LED screens in Japan despite their proliferation in China.

LEDs provided enhanced definition and color range, resulting in superb picture quality regardless of the viewer's position, and flicker-free images, meaning less eye strain. They are also extremely energy efficient.

"We want LEDs to provide the wow factor for presentations, theme parties and so on," but they are "not so easy to find" in Japan, Yao explained.

Nitin Sachdeva, CEO of Venture Marketing, a New Delhi-based smart marketing company specializing in the travel, tourism, hospitality and meetings industry, called on Japan's MICE venues to step up to meet changing needs: "Technology is so important (to events), and we expect tech to be integrated into the event experience in Japan."

Event spaces in Japan are increasingly heeding that advice, according to Niall Morrissey, CEO of tech-as-a-service and revenue-sharing model provider VPS. His company offers event spaces state-of-the-art technology with little or no need for investment, ongoing access to new equipment and recycling options for old equipment.

"We're seeing traction because there are a lot of great four- or five-star hotels that have a 15-year-old projector that's not commensurate with the level of hotel they are," says

Morrissey. "Coming out of COVID, these venues don't have the budget (to buy technology), so we fulfill a need."

Even with limited resources, MICE spaces are eager to secure a piece of the global business events market, which was valued at \$90.3 billion in 2023 and is projected to grow to \$1.9 trillion by 2032, according to Fortune Business Insights. And, without technology, the industry claims that venues' success will be limited.

"Meeting organizers are seeking environments with high-quality video and audio equipment," says a JR East spokesperson. Its Linkpillar Hall is equipped with high-resolution projectors and a 300-inch screen allowing real-time image and audio transmission for in-person and hybrid meetings.

Hilton Tokyo has gone even further, partnering with audiovisual solutions provider Vega Japan to install the highest-grade AV systems for enhanced impact, usability and flexibility. "Our new LED walls meet the growing demand for client-apt presentations, video content and dial-ins from people in other locations. They also allow rooms to be set up in multiple ways, so usage is not based on where the traditional 3D projector was in the room before," Frankel says.

"We've equipped Hilton Tokyo with a customizable AV setup featuring stunning LED screens, wireless content sharing, mobile display carts, touch panel controllers and a conflict-free audio system for independent use of adjoining spaces. This advanced setup enables truly exceptional and immersive user experiences," says Richard Johns, managing director of Vega Japan.

Going greener

In food and beverage, too, organizers are asking Japan's MICE spaces to detail their green credentials or to provide more environmentally conscious choices for their events.

James Kent, director and COO of destination management company The J Team, is experiencing demand for locally sourced ingredients and the involvement of chefs who are "taking local sourcing and environ-

Top, clockwise from left: Construction takes place on the Takanawa Gateway Convention Center in Tokyo, slated to open in 2025; the building will feature plenty of greenery in keeping with sustainability goals; the Kengo Kuma designed Takanawa Gateway Station opened in 2023; a man looks out onto Minato Ward from Takanawa Gateway Station. Left: Passengers ride past an Expo 2025 poster on an escalator in Kansai International Airport. LOUISE CLAIRE WAGNER; AFP/III

There needs to be a mindset that (MICE) offers something different (from tourism).

INTERNATIONAL CONFERENCE SERVICES CHAIRMAN MATHIAS POSCH

THE INDEPENDENT VOICE IN ASIA

the japan times

Weekend

INCORPORATING

The New York Times

INTERNATIONAL EDITION

SATURDAY-SUNDAY, NOV. 9-10, 2024

OPINION:
No thanks, China
Small island states swing back toward traditional allies | **Page 11**

CULTURE:
Festival glory
Japanese cinema finally triumphs at TIFF | **Page 13**

LIFESTYLE:
Sound of silence
Keeping mum to woo introvert shoppers | **Page 14**

IN TODAY'S NYT:
Genomic testing adds a twist to Pompeii narratives
Page 3

Tax-exemption threshold standing in the way

LDP facing struggle to get DPP support

KANAOKO TAKAHARA AND HIMARI SEMANS
STAFF WRITERS

The ruling Liberal Democratic Party is stuck between a rock and a hard place over whether to raise the threshold for tax exemptions from the current ¥1.03 million (\$6,740) — which, if implemented, could rally much-needed support from the opposition Democratic Party for the People, but would slash tax revenues.

But raising the threshold would mean, according to government estimates, a loss of about ¥7.6 trillion in tax revenue for the central and local governments.

It is also unclear whether Prime Minister Shigeru Ishiba's administration can afford the revenue cut. The government has already committed to a defense spending hike worth ¥4.5 trillion in five years, as well as spending ¥3.6 trillion on child-rearing support in the next three years. Ishiba also plans to double subsidies to local governments to boost their economies.

During Friday's meeting between the two parties' policy chiefs, the DPP also urged the LDP to reduce gasoline taxes by invoking a "trigger clause" for such cuts when the national average for regular retail gas prices at the pump remains above ¥160 per liter for three consecutive months, which has never been invoked since its introduction by the 2009-12 Democratic Party of Japan administration.

Related story
Komeito changes leader after poor election showing **PAGE 2**

Noting that the ¥1.03 million threshold was introduced in 1995, and has remained at

that level in spite of inflation and minimum wage increases since then, Tamaki pointed out that people are adjusting their working hours so as not to exceed the threshold, which means their take-home salaries are not increasing.

"Until now, the LDP and Komeito had the majority, so they were able to decide among themselves on what policies to pass," he said. "But now, the situation has changed, and it's no longer possible for them to decide on their own on policies, legislation and budget."

But raising the threshold would mean, according to government estimates, a loss of about ¥7.6 trillion in tax revenue for the central and local governments.

It is also unclear whether Prime Minister Shigeru Ishiba's administration can afford the revenue cut. The government has already committed to a defense spending hike worth ¥4.5 trillion in five years, as well as spending ¥3.6 trillion on child-rearing support in the next three years. Ishiba also plans to double subsidies to local governments to boost their economies.

During Friday's meeting between the two parties' policy chiefs, the DPP also urged the LDP to reduce gasoline taxes by invoking a "trigger clause" for such cuts when the national average for regular retail gas prices at the pump remains above ¥160 per liter for three consecutive months, which has never been invoked since its introduction by the 2009-12 Democratic Party of Japan administration.



LONGFORM:
Business tourism is booming in Japan
Page 12

EU envoy points to 'next-level' ties

GABRIEL DOMINGUEZ
STAFF WRITER

With thousands of North Korean troops at Ukraine's border and a "no limits" partnership in place between Moscow and Beijing, the notion that the security of the Euro-Atlantic and Indo-Pacific regions is "inseparable" has now become a "very visible reality," the European Union's ambassador to Tokyo said in an exclusive interview.

The rapidly unfolding geopolitical changes have prompted Brussels to "enhance and fortify ties" with its Indo-Pacific partners, with the unprecedented security and defense partnership recently launched with Japan being a clear reflection of these efforts, Ambassador Jean-Eric Paquet told The Japan Times.

The new partnership will take bilateral ties to the "next level," he said, as it will not only complement existing initiatives between Tokyo and individual European states but also pave the way for broader, collective measures at the EU level in critical areas such as cyber and defense industry ties.

The new framework also bears geopolitical significance, the diplomat said, as it underscores the partners' drive to cooperate more closely than ever before amid a shared threat perception and overlapping concerns about the growing strategic alignment between Beijing, Moscow and Pyongyang.

Launched on Nov. 1, the security and defense partnership with Japan — Brussels' first with an Indo-Pacific country — aims to "frame, streamline and enhance" dialogue and cooperation on a wide range of fields such as maritime security, space, cyber, counterterrorism and hybrid threats, including foreign information manipulation and interference (FIMI).

The move envisages expanding naval cooperation, such as joint training and capacity-building of other Indo-Pacific countries, greater information-sharing, finding ways to collaborate in countering terrorism and exploring potential avenues for collective initiatives in the defense industry.

Of particular added value will be those initiatives that are already being implemented in Europe at the EU level such as FIMI and cybersecurity, Paquet said.

"Most work in these areas is carried out collectively because these threats are posed by very big actors, and even big EU member states don't always have all the resources to tackle them," he said.

The diplomat also sees room for greater maritime cooperation, an important step at a time of escalating regional territorial disputes that could disrupt critical international sea lanes.

"We are doing a lot of training with partners in East Asia, and under the new framework

Continued on page 3

Nippon Steel seeks U.S. Steel deal ahead of Trump arrival

KATYA GOLUBKOVA AND YUKA OBAYASHI
REUTERS

Japan's Nippon Steel hopes to close its \$15 billion deal to buy U.S. Steel by year-end before Republican Donald Trump retakes the White House in January, a senior executive said, as the acquisition is core to its future growth.

Nippon Steel, Japan's top steelmaker and the fourth largest globally, agreed to buy U.S. Steel in December but faced opposition from a powerful labor union as well as from Trump and U.S. President Joe Biden, among others.

Before the Nov. 5 election, which handed him victory, Trump promised to block the deal if reelected.

"We believe we can close the U.S. Steel deal administration," Takahiro Mori, Nippon Steel's vice chair and key negotiator on the deal, told reporters on Thursday.

The Committee on Foreign Investment in the United States (CFIUS) has extended its review of the \$15 billion deal until the end of December.

Mori said on Thursday that CFIUS' and antitrust authorities' reviews were proceeding "solemnly."

"Now that the U.S. election is over, and we are in a position to have a proper discussion, there is no reason to postpone the review process any longer," Mori added.

To win the approval, Nippon Steel has made social guarantee and investment pledges to U.S. Steel and the United Steelworkers labor union, and promised to sell a stake in a U.S. steel plant's joint venture if it succeeds in the buyout.

"The United States is essential to our continued growth as it is the world's largest market for high-grade steel and is a growing market with little China risk," Mori said.

With U.S. Steel, Nippon Steel aims to raise its global steel production capacity to 85 million metric tons per year from 65 million tons now, and the asset is core to its goal of having over 100 million tons of production capacity in the long-term.

Cross-cultural treat
The traditional Japanese sweet that fits on the Thanksgiving table | **FOOD, PAGE 16**

NOTICE: Due to a newspaper holiday on Nov. 10, there will be no issue of The Japan Times / The New York Times International Edition on Nov. 11. The press holiday is to provide time off for delivery personnel.

The Japan Times, Ltd.

ISSN 0289-1956 © THE JAPAN TIMES, LTD., 2024

Consumption tax included (本誌価格¥364) **¥400**

4910856490947 00364

Zelensky and Putin vie for edge with Trump

ANDREA TIMU, ZOLTAN SIMON, ELLEN MCELIGAN AND HENRY MEYER
BLOOMBERG

The leaders of Ukraine and Russia began jockeying for influence with President-elect Donald Trump in the immediate aftermath of the U.S. election, seeking through public statements Thursday to gain an advantage in his promised push for a resolution to their years-long conflict.

Ukrainian President Volodymyr Zelensky on Thursday called for "a fair ending to the war" and warned that a swift end to hostilities could force his country into a defeat.

"A quick ending would be a loss," Zelensky told reporters at a summit in Budapest hosted by Viktor Orban, the European Union's biggest critic of aid for Kyiv.

Russian President Vladimir Putin congratulated Trump on his victory and said the Republican, who on the campaign trail pledged to broker a peace deal between the two countries and suggested he wanted to scale back or end U.S. aid to Kyiv, had ideas worth exploring.

"It seems to me, it deserves attention what was said about the desire to restore relations



with Russia, to help end the Ukrainian crisis," Putin said late Thursday at the annual meeting of the Valdai Club in the Black Sea city of Sochi, in his first comments on Trump's reelection. "I have always said that we will work with any head of state who has the trust of the American people."

The dueling remarks underscored the extent to which Trump's election has jumbled the international politics around the

Then-Republican presidential nominee Donald Trump and Ukrainian President Volodymyr Zelensky meet at Trump Tower in New York on Sept. 27. REUTERS

war, which until now has seen the U.S. and European leaders provide billions of dollars in arms and assistance to Ukraine as it has sought to repel Russia's invasion.

Trump, who had predicted he could end the conflict the day after his election, gave little indication of how he planned to approach that challenge in an interview with NBC News on Thursday.

Trump said that he had already spoken with Zelensky but that Putin wasn't among the "probably" 70 phone conversations he has held with world leaders since winning the election.

But, Trump said, he still planned a conversation with the Russian leader.

"I think we'll speak," Trump said.

But Orban, one of Trump's closest allies on the world stage, said that U.S. and European aid to Ukraine to the tune of \$30 billion (\$54 billion) that's already been agreed is now an "open question."

U.S. and European nations were tiring of putting up money, and the package is insufficient to continue to finance Ukraine, Orban said after the summit.

Continued on page 7

guntū — a little hotel floating on the Seto Inland Sea.

guntū <https://guntu.jp/>

