Japan-China Joint Press Statement Cooperation between Japan and China in the East China Sea

In order to make the East China Sea, where the sea boundary between Japan and China has not been delimitated, a "Sea of Peace, Cooperation and Friendship," Japan and China have agreed, through serious consultations based on the common understanding between leaders of the two countries achieved in April 2007 as well as their new common understanding achieved in December 2007, that the two countries cooperate with each other without prejudice to the legal positions of both countries during the transitional period pending agreement on the delimitation and taken the first step to this end. Both countries will continue consultations further.

June 18, 2008

Understanding on Japan-China Joint Development in the East China Sea

The two sides proceed to do the followings as the first step of the joint development between Japan and China in the East China Sea.

The joint development zone shall be the area bounded by straight lines connecting the following points in the sequence given below:

| 29o31' North | 125o53'30" East |
|--------------|-----------------|
| 29o49' North | 125o53'30" East |
| 30o04' North | 126o03'45" East |
| 30o00' North | 126o10'23" East |
| 30o00' North | 126o20'00" East |
| 29o55' North | 126o26'00" East |
| 29o31' North | 126o26'00" East |

The both sides will, through joint exploration, select sites for joint development by mutual agreement and conduct joint development at the sites based on the principle of mutual benefit. Details will be decided by the both sides through consultation.

The two sides will make efforts to promptly conclude, in accordance with their respective domestic procedures, a bilateral agreement necessary for the implementation of the joint development.

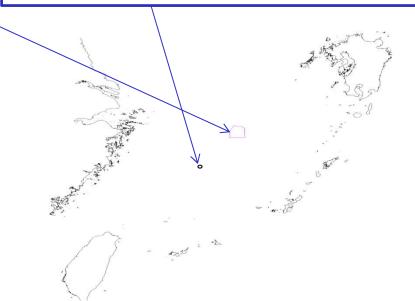
The two sides will continue consultations in order to attain joint development in other waters of the East China Sea as soon as possible

Understanding on the development of Shirakaba (Chinese name: Chunxiao) oil and gas field

Chinese enterprises welcome that Japanese corporation(s) will participate, in accordance with Chinese laws regarding cooperation with foreign enterprises in the exploration and exploitation of off-shore petroleum resources, in the development of the existing Shirakaba (Chinese name: Chunxiao) oil and gas field.

The Governments of Japan and China confirm this and will make efforts to agree on the text of necessary Exchange of Notes and conclude it at an early stage. The two sides will take domestic procedures necessary for its conclusion.

June 18, 2008



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