# F The Middle East and North Africa

### Overview

Ensuring the peace and stability of the Middle Eastern region, a major supplier of energy to the world on which Japan relies for roughly 90% of its crude oil imports, is an important issue directly connected to the peace and prosperity of the international community as a whole. The reconstruction of Iraq and Afghanistan is crucial to avoiding destabilization of the entire Middle Eastern region. Japan intends to continue to actively support reconstruction in collaboration with the international community. Moreover, peace and stability in this region cannot be achieved without progress in the Middle East peace process. Toward development of the peace process, it will be necessary to continue to actively assist the peace



Prime Minister Junichiro Koizumi visits the Turkey Japan Fund Culture Center and observed an origami class (January 11, 2006, Ankara, Turkey. Photo: Cabinet Public Relations Office, Cabinet Secretariat)

efforts of both the Israeli and the Palestinian sides.

In January 2006, Prime Minister Junichiro Koizumi made the first visit in 15 years as an incumbent Japanese prime minister to the geopolitically important country of Turkey. The two leaders agreed to strengthen the over 100-year-old Japan-Turkey relationship and expand cooperation on various issues in the international community, including peace and stability in the Middle Eastern region.

Visits by high-ranking government figures took place actively in 2005, broadening Japan's relationships with the Middle East. President of the Palestinian Authority, Mahmoud Abbas (May), Amir of the State of Qatar, Sheikh Hamad Bin Khalifa Al Thani (June), Prime Minister of Tunisia, Mohamed Ghannouchi (June), President of Yemen, Ali Abdullah Saleh (November), King Mohammed VI of Morocco (November), Prime Minister of Iraq, Ibrahim Jaafari (December), and King Abdullah II of Jordan (December) visited Japan, and carried out lively diplomatic exchanges. In January, the Third Meeting of the Japan-Arab Dialogue Forum was held in Saudi Arabia, and in January 2006, the Fourth Seminar on Dialogue Among Civilizations between Japan and the Islamic World was held in Tunisia. In September, Japan dispatched the Third Japan Middle East Cultural Exchanges and Dialogue Mission to Saudi Arabia, Turkey and Tunisia, and Japan was invited for the second consecutive year to the Arab League Summit, which was held in Algeria.

1 Iraq

## (a) Progress in the Political Process

The schedule for the political process in Iraq is stipulated as follows, in accordance with the Law of Administration for the State of Iraq for the Transitional Period (the socalled Transitional Administrative Law [TAL]), established in March 2004, and Resolution 1546 of the United Nations (UN) Security Council, adopted in June 2004:

- Elections for the National Assembly and the formation of the Iraqi Transitional Government are to take place by January 31, 2005.
- (2) The National Assembly is to draw up a draft of the constitution by August 15, 2005.

- (3) A general referendum on the draft of the constitution is to be held by October 15, 2005.
- (4) Elections for the Council of Representatives are to be held by December 15, 2005.
- (5) The Iraqi government is to take office by December 31, 2005.

Elections for the National Assembly for the formation of the Iraqi Transitional Government, the Kurdistan Regional Government, and the Governorate Councils were simultaneously held on January 30, 2005, and the final results of each election were announced in February.<sup>1</sup> The leader of the Patriotic Union of Kurdistan (PUK), Jalal Talabani, was elected as President of the Iraqi Transitional Government by the National Assembly in April; Interim President Ghazi al-Yawar, a Sunni Muslim, and Interim Finance Minister Adel Abdul Mahdi, a Shiite, were both elected as Vice President. Interim Vice President Ibrahim Jaafari, a Shiite, was appointed as Prime Minister and the Transitional Government was launched with the appointment of 37 ministers on April 28.

Japan welcomed these developments as signs that Iraq has entered a new stage on the road toward democratization. Furthermore, Japan expressed its hope that the political process will develop under the leadership of the new government and that progress will be made toward stabilizing public security, and toward the reconstruction of Iraq.

The National Assembly established a committee for drafting a constitution and decided on 55 committee members in May, a step toward the next issue of the new constitution, to work on drawing up the draft constitution.<sup>2</sup> The National Assembly later approved a further 16 new committee members, of which 15 were Sunni Muslims. The TAL had stipulated that the draft constitution was to be drawn up by August 15, and this was extended until August 22 by the National Assembly. The draft constitution was presented to the National Assembly within the new timeframe, and it was approved on August 28. A general referendum on the draft constitution was later held on October 15 without any major disturbances. The Independent Electoral Commission of Iraq (IECI) announced that the draft constitution was approved as the result of the referendum.<sup>3</sup>

Council of Representatives elections were held on December 15, again without any major disturbances.<sup>4</sup> These elections were the final elections under the political process set out in Resolution 1546 of the UN Security Council, and the permanent government of the 275-seat National Assembly was established in accordance with the election results. The political process in Iraq has thus proceeded almost entirely in accordance with the schedule stipulated in the TAL and Resolution 1546 of the UN Security Council.

Japan welcomed the peaceful implementation of the National Assembly elections as a great step forward of the political process, and it also expressed its congratulations to the Iraqi Interim Government and the people of Iraq. Furthermore, Japan expressed its intention to the Iraqi Government to continue providing active support in collaboration with the international community for the Iraqi people's nation-building efforts.

### (b) Public Security

Following the elections for the National Assembly in

1. Overview of the National Assembly Elections:

- (a) Voters cast their votes by choosing one out of 111 lists of candidates submitted by parties and individuals to the IECI. Altogether, there was a total of 7,761 candidates.
- (b) Of a total population of approximately 27 million, approximately 14.66 million people are registered as voters in Iraq. Approximately 8.55 million of these cast their votes (of which around 8.45 million were effective ballots), a turnout of 58%.
- (c) The election was carried out for 275 seats through proportional representation in a single nationwide constituency.
- (d) Overseas voting was carried out from January 28 to 30 in 14 countries. Of the approximately 280,000 persons who registered as overseas voters, approximately 260,000 cast their votes (for a turnout of 93%).
- (e) The results were announced on February 17. The United Iraqi Alliance (consisting of the Supreme Council for Islamic Revolution in Iraq (SCIRI), the Daawa Party, and others), which had the approval of Grand Ayatollah Ali al-Sistani, won the largest number of votes (about 4.07 million votes, 140 seats). Second came the Kurdish Alliance List, centered on the Patriotic Union of Kurdistan (PUK) and the Kurdistan Democratic Party (KDP); it won about 2.17 million votes and acquired 75 seats. Third came the Iraqi List, centered on a party led by Prime Minister Allawi (about 1.16 million votes, 40 seats). Fourth came the Iraqis, a party headed by President al-Yawer (about 150,000 votes, 5 seats). Eight other lists acquired a total of 15 seats.

2. As part of its support for Iraq's political process, Japan hosted a seminar to give support for drafting a constitution from June 17 to 22. Fourteen officials, including Speaker of the Iraqi National Assembly Hajim al-Hasani and other members of the National Assembly, were invited to Japan to participate in the seminar.

3. In accordance with Article 61 of the TAL, the draft constitution would be approved in the event that a majority of voters voted "yes" and there was not a two-thirds "no" majority in three or more of the governorates. According to the results announced by the IECI on October 25, 78.59% voted in favor of, and 21.41% against, the draft constitution. The turnout rate was approximately 63%, and the "yes" vote for Iraq overall was approximately 79%. Furthermore, the "yes" vote was over 90% in 12 of the 18 governorates. Meanwhile, of the three governorates with large Sunni populations, both Al-Anbar and Salah ad-Din had a "no" vote of over two thirds. A total of 15.6 million persons registered as voters for the referendum.

- 4. Overview of the Iraqi National Assembly Elections:
  - (a) Voting took place at approximately 6,000 polling stations between 7:00 a.m. and 6:00 p.m.
  - (b) Overseas voting took place from December 13 to 15, in 47 cities in 15 countries.
  - (c) Voting was for 275 seats in the National Assembly (230 governorate seats, 45 national seats).
  - (d) There were over 15.5 million eligible voters (excluding overseas voters). Eligible voters were registered men and women aged 18.
  - (e) Elections took place under proportional representation system.
  - (f) Approximately 200 groups (approximately 7,600 people) stood as candidates for election. Eligible candidates were men and women aged 30 or over who satisfied a set of conditions such as no past criminal record, and at least one third of each list had to be women.
  - (g) The election was carried out by the IECI with support in the form of funds and practical assistance from the UN.

January, and the launch of the Iraqi Transitional Government in April, the public security situation in Iraq has remained unpredictable, with outbreaks of armed attacks, although there were differences in the degree of threat depending on the region. Generally speaking, there were frequent outbreaks of clashes between the multinational force and the Iraqi security forces on one side, and armed insurgents on the other, as well as acts of terrorism such as car bombings, and the kidnapping and murder of private citizens. The majority of these clashes and other violence occurred in the central region of Iraq (the socalled Sunni Triangle), including Baghdad, and the

Chronology of the Situation in Iraq					
	Aug 2 Jan 17	Iraqi forces invade Kuwait; resolution condemning the invasion of Kuwait (Security Council Resolution 660) Use of force by multinational force (MNF) (air strikes) begins (Ground combat lasts from Feb 24 to 28;			
1551		Resolution for ceasefire against Iraq (Security Council Resolution 687) is adopted on April 3)			
1999	Dec 17	Security Council adopts Resolution 1284, which, inter alia, establishes the UN Monitoring, Verification and Inspection Commission (UNMOVIC)			
2002	Nov 8	UN Security Council unanimously adopts Resolution 1441, which urges Iraq to accept fully the WMD inspections			
2003	Mar 20	US forces begin attack on Iraq; President Bush declares major combat operations in Iraq are over on May 1			
	June 1	Coalition Provisional Authority (CPA) is established			
	July 26	Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq enacted			
	Oct 16	Security Council Resolution 1511 is adopted; clarifies political process and UN's role in Iraq and refers to establishment of MNF			
	Oct 23–24	International Conference on Reconstruction in Iraq is held in Madrid			
	Nov 29	Japanese MOFA staff are killed in Iraq			
	Dec 13	Former President Saddam Hussein is captured			
2004	Jan 19	An advance unit of the Ground Self-Defense Force arrives in Samawah			
	Mar 8	The Law of Administration for the State of Iraq for the Transitional Period (TAL) is signed			
	Apr	Five Japanese citizens are taken hostage in Iraq			
	May 27	Two Japanese citizens are shot to death in Iraq			
	Jun 8	The UN Security Council unanimously adopts Resolution 1546 (approves the political process stipulated in the TAL; clarifies the tasks and period of presence of MNF in Iraq)			
	Jun 28	Governing authority is transferred from the CPA to the Iraqi Interim Government			
	Aug 15–18	The Iraqi National Conference convenes, attended by 1,300 people, including representatives of Iraq's 18 governorates, political and religious leaders, and NGO representatives			
	Oct 31	A Japanese citizen is taken hostage and murdered in Iraq			
	Nov 23	The G8 and neighboring countries hold a meeting on Iraq (in Sharm El Sheikh, Egypt)			
	Dec 9	The cabinet decides to amend the basic plan on countermeasures based on the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq and extends the period of dispatch of the SDF until December 14, 2005			
2005	Jan 30	Elections are held for National Assembly, the Kurdistan Regional Government, and the Governorate Councils			
	Feb 17	Independent Electoral Commission of Iraq (IECI) announces final election results; turnout is 58%			
	Apr 28	Council of Ministers is approved by the National Assembly; Iraqi Transitional Government is launched			
	May	A Japanese citizen goes missing in Iraq			
	May 10	National Assembly establishes a committee for drafting constitution to draw up a draft constitution			
	June 22–23	International Conference on Iraq is held in Brussels			
	July 18–19	Fourth Donor Committee Meeting and Expanded Meeting of the International Reconstruction Fund Facility for Iraq (IRFFI) is held in Jordan			
	Aug 28	Draft constitution is approved by National Assembly			
	Oct 15	General referendum on draft constitution is held			
	Oct 25	IECI announces draft constitution is approved by general referendum			
	Nov 8	The UN Security Council unanimously adopts Resolution 1637 (extends authority of MNF for 12 months until Dec 31, 2006)			
	Dec 8	The cabinet decides to amend the basic plan on countermeasures based on the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq and extend the period of dispatch of the SDF until December 14, 2006			
	Dec 15	Elections for Iraqi National Assembly is carried out in accordance with Constitution			

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northern region, including Mosul.

In this situation, the Iraqi Interim Government and the Iraqi Transitional Government have steadily worked to strengthen the security forces of Iraq, receiving assistance from the North Atlantic Treaty Organization (NATO) and various countries. As of January 4, 2006, the number of personnel stands at approximately 224,000 (In January 2005, this figure was approximately 130,000 personnel). With the cooperation of United States (US) forces in Iraq, these Iraqi security forces are engaged in cleanup operations on Iraq's northern border with Syria, in the Governorate of Al Anbar in the west of the country and in the capital Iraq.

In Samawah, where the Self-Defense Forces (SDF) are stationed, there have been demonstrations concerning dissatisfaction with the administration of the Governorate of Al Muthanna over power and water shortages, as well as a political movement surrounding personnel affairs of the Governor and the Chairman of the Council of the Governorate of Al-Muthanna. In addition, a Ground Self-Defense Forces (GSDF) convoy encountered a bomb explosion on a road in Samawah and a rocket was confirmed to have landed in the SDF camp (neither of these incidents resulted in casualties). However, public security remains unchanged in that it is stable compared with other regions of Iraq.

Kidnappings and attacks against foreign private citizens occurred frequently throughout Iraq in 2005. The victims were wide-ranging and included company employees, NGO staff, and journalists. In May, a convoy having completed a shipment of supplies to a US base in Hit, west of Baghdad, was attacked and a Japanese national working for a private security company guarding that convoy went missing.<sup>5</sup>

## (c) Japan's Efforts

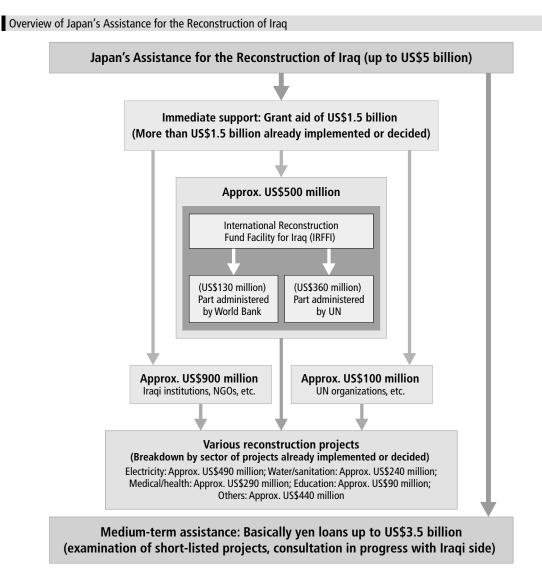
On the one hand, overall steady progress in the political process in Iraq is being witnessed, on the other hand, the public security situation remains unpredictable. Iraq is currently halfway on the road to reconstruction. It is essential for the stability of the Middle East that Iraq be rebuilt as a peaceful and democratic country. In particular for Japan, which depends on the Middle East for nearly 90% of its crude oil supplies, it is an issue of the utmost importance directly connected with the national

interest. Moreover, if Iraq were to destabilize, it could become a hotbed of terrorism. Therefore, it can now be said that the reconstruction of Iraq is a common task for the international community as a whole. Given the situation in which the resolutions of the United Nations Security Council (UNSC) call upon member states to assist in the reconstruction of Iraq, the US and other countries, as well as the UN and international organizations, are extending assistance. Japan, based on the recognition of the necessity to implement assistance that is appropriate for Japan as a responsible member of the international community, has made the utmost efforts through the dispatch of the SDF to Iraq to provide humanitarian and reconstruction assistance as well as the provision of Official Development Assistance (ODA) as the "two wheels of one cart." In addition, Japan has been extending assistance in the fields of culture and education, gaining praise from both the international community and the people of Iraq for its efforts.

## (1) Assistance through ODA

Japan's assistance through ODA supports the Iraqi people's own efforts toward economic and social reconstruction and at the same time, it plays a role to support the political process of Iraq. At the International Conference on Reconstruction in Iraq held in Madrid in October 2003, Japan announced a package of assistance amounting to a maximum of US\$5 billion up to 2007. Of this figure, a total of US\$1.5 billion was to be disbursed for grants<sup>6</sup> for immediate assistance, and by May 2005 decisions on allocation had been made for the entire amount. This assistance places emphasis on efforts for the reconstruction of social infrastructure essential to the Iraqi people's daily lives and toward improving public security. The assistance has been provided in a variety of fields, including the following: electricity (rehabilitation of power stations, provision of mobile substation equipment, and construction of a diesel power station in Samawah), health and medical (rehabilitation of 11 general hospitals and provision of equipment, etc.), water and sanitation (provision of water purification equipment and equipment for solid waste and sewage management, etc.), environment (contributions through a trust fund implemented by the United Nations Environment Programme (UNEP) for coopera-

5. Previous incidents of Japanese nationals falling victim to such attacks are as follows: the attack and killing of two diplomats in November 2003; the kidnapping of three Japanese from the private sector in April 2004, followed by two journalists in the same month (all of whom were freed); the attack and murder of two journalists in May 2004, and the hostage taking and murder of one Japanese national in October 2004.
6. This is broken down in the following way: approx. US\$910 million for assistance to central and local government institutions in Iraq, approx. US\$116 million for assistance through international organizations, approx. US\$500 million through International Reconstruction Fund Facility for Iraq (IRFFI) and US\$26 million through NGOs.



tion on projects such as environment management in the Mesopotamia Marshlands), security (provision of police cars, etc.), education, culture, and sports.

The remaining US\$3.5 billion of the total allocated amount that was announced by Japan is scheduled to be disbursed mainly in the form of yen loans, focusing on infrastructure development projects including transportation in addition to sectors such as power, education, medical and health, and water and sanitation that have been the subject of assistance previously. Work between the Governments of Japan and Iraq is continuing to confirm, by the earliest date possible, specific projects for assistance, taking into account the situation on the ground, in order that such assistance be implemented seamlessly together with grant aid. In addition to direct assistance and financial cooperation through international organizations, human resources development is extremely important for the steady progress of reconstruction. Japan is therefore also implementing training in neighboring countries like Egypt and Jordan, and in Japan itself in such fields as medicine, electric power, statistics, water resources, water supplies and sewer systems, television broadcasting technology, and election support. As of the end of December 2005, a total of 1,143 Iraqis had received this training.

In the Governorate of Al Muthanna in southern Iraq where the SDF are dispatched, assistance through ODA is organically linked with the activities of the SDF (see (2) Coordination of Assistance by the SDF and ODA). In addition, as part of cooperation with international organizations such as the United Nations Development Programme (UNDP) and the United Nations Human Settlements Programme (UN-HABITAT) many assistance projects are being implemented in sectors with high demand for reconstruction activities, including electric power, water supply, medical and health, education, roads and employment, all of which are contributing to improvements in living standards on the ground. In the Governorate of Al Muthanna, the Liaison Office chief and four officials are stationed at MOFA's Liaison Office in Samawah.

In June, more than 80 countries and organizations participated in the Iraq International Conference hosted jointly by the US and the European Union (EU) in Brussels. The participating countries and organizations announced that the international community would provide assistance to Iraq in three areas: to support Iraq's political transition process, to encourage its economic recovery and reconstruction, and to help establish the rule of law and public order in the country. Japan cochaired the section on economic recovery and reconstruction. In addition to that, in July, the Fourth Donors' Committee Meeting<sup>7</sup> of the International Reconstruction Fund Facility for Iraq (IRFFI) was held in the Hashemite Kingdom of Jordan, at which a development strategy pointing a way forward for mid-term reconstruction was announced by Iraq.

In addition, among the countries of the Paris Club, Japan is the largest creditor country in terms of Iraq's public debt. At the Paris Club meeting held in November 2004, the creditor countries reached an agreement with the Iraqi side on the reduction of Iraq's public debt (in three stages, for a total reduction of 80%). Given this decision, in November 2005, on the occasion of the visit to Japan by Minister of Foreign Affairs Hoshyar Mahmoud Zebari of Iraq, an agreement was signed with Minister for Foreign Affairs Aso concerning an 80% debt cancellation, amounting to approximately 710 billion yen.

### (2) Coordination of Assistance by the SDF and ODA

UN Security Council Resolution 1483, which was unanimously adopted in May 2003, affirmed the importance of the international community's unity in tackling the reconstruction of Iraq. In response to this, Japan enacted the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq, and the Cabinet adopted a basic plan regarding measures based on this law. In accordance with this plan, an advance unit of the Air Self-Defense Force (ASDF) and Ground Self-Defense Force (GSDF) arrived in Iraq. The main unit was subsequently dispatched and began full-fledged activities for humanitarian and reconstruction assistance, mainly in Samawah, in the fields of medical care and water supply, as well as the restoration and reconstruction of schools and other public facilities.

In June 2004, UN Security Council Resolution 1546 was unanimously adopted, which welcomed the restoration of complete sovereignty in Iraq and contained a request for assistance from the Iraq Interim Government to the international community. Given this resolution<sup>8</sup> and the restoration of sovereignty to Iraq at the end of the same month, the SDF operated with the framework of those of the multinational force (MNF) in Iraq. In this way the SDF has come to maintain communication and coordinate its activities with the MNF, although it is not subject to the command of the MNF. The SDF carries out humanitarian and reconstruction activities based on Japan's own judgment and under the Japanese national command in accordance with the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq and the related basic plan.

The activities that the SDF has conducted so far, centering on such humanitarian and reconstruction assistance as medical care and water supplies, as well as the restoration and reconstruction of schools and other public facilities, have been coordinated with ODA, which has contributed to the restoration and improvement of infrastructure for local people and created employment.9 As of December 2005, in the Governorate of Al Muthanna, 22 schools have been repaired by the GSDF and 59 schools through ODA (provided through UN-HABITAT). With regard to roads, a total of 1,000km of roads require repair, and through coordination of GSDF activities and ODA, a total of approximately 113km have thus far been repaired. In addition, of the 32 primary health centers in the Governorate, the GSDF has implemented repairs on 21, and all 32 centers have been provided with equipment through ODA.

Prime Minister Jaafari, Foreign Minister Zebari,

7. Japan has contributed a total of US\$490 million to the IRFFI, which is jointly managed by the UN and World Bank, making it the largest contributor. Japan served as the first chair of the Donor Meeting, and one of the meetings was held in Tokyo in October 2004.

8. The resolution made clear that humanitarian and reconstruction assistance carried out by the SDF until that time would henceforth be incorporated in the mandate of the MNF.

9. In the Governorate of Al Muthanna, an employment creation project run through the UN organization has resulted in a maximum of 3,800 persons finding work each day, extending to a total of approximately one million persons having found employment (as of December 2005).



SDF personnel being welcomed by children on site at the health clinic they are helping to renovate (December 31, Samawah, Iraq. Photo: Defense Agency)

Iraqi Transitional Government and local people thanked the SDF for their humanitarian and reconstruction assistance activities and requested that these activities continue.

On November 8, based on a request from the Iraqi government, the UN Security Council unanimously adopted Resolution 1637 extending the mandate of the MNF for a further year to the end of 2006. At the same time, efforts by the people of Iraq to rebuild their own country entered an important phase, with the initiation of efforts toward the establishment of a new government following the elections for the Council of Representatives on December 15. Given these developments, on the basis that if Japan were to stop assistance to Iraq it would lose the trust of the international community and because the reconstruction of Iraq as a peaceful and democratic country is of crucial importance to the international community, weighing its own national interests and of its own volition, on December 8 the Cabinet decided to change the basic plan and extend the term of dispatch until December 14, 2006.

(3) Cultural and Educational Cooperation

Japan is assisting the reconstruction of Iraq in the fields of culture and education. In addition, Japan is offering a diverse range of cultural assistance to Iraq. Cultural and educational cooperation has been implemented in various formats, including sports-related assistance through the Grassroots Cultural Grant Aid scheme, and cooperation provided through The Japan Foundation and the United Nations Educational, Scientific and Cultural Organization (UNESCO).<sup>10</sup>

### (d) Relations between Japan and Iraq

Following the launch of the Iraqi Transitional Government in April, there has been a lively exchange of meetings between officials of Japan and Iraq. In June, Dr. Hajim Al-Hasani, Speaker of the National Assembly of the Iraqi Transitional Government, and other members of the National Assembly were invited to Japan to attend the Seminar to Support the Drafting of the Constitution of Iraq, at which time they paid courtesy calls on Prime Minister Koizumi and Foreign Minister Machimura. In addition, on the occasion of the Iraq International Conference in Brussels, Foreign Minister Machimura held talks with Prime Minister Jaafari and Foreign Minister Zebari. From October onward there were a number of visits to Japan by Iraqi officials, and on each occasion meetings were held with relevant officials on the Japanese side: in October, Minister of Public Works Nasreen Mustafa Sadiq Barwari; in November, Foreign Minister Zebari; and in December, Prime Minister Jaafari and Minister of Oil Mohammed Bahr Al Uloom. At all of these meetings and summits the two parties affirmed the importance of advancing the political process and



Prime Minister Koizumi and Prime Minister Jaafari of Iraq behind a replica of "Qisarah," an ancient musical instrument from the Babylon Dynasty (December 5, Prime Minister's Official Residence. Photo: Cabinet Public Relations Office, Cabinet Secretariat)

10. In the Governorate of Al Muthanna, Japan has restored the athletics track at the soccer stadium (Olympic Stadium), and has also provided equipment for various sports, including athletics, basketball, and volleyball. In addition, assistance for the costs of transportation of used judo uniforms to the Iraqi Judo Federation. Furthermore, as part of efforts to promote exchange with the Middle East, and also for the reconstruction effort in Iraq, judo athletes from four countries including Iraq were invited to Japan to coincide with the holding of the Jigoro Kano Cup International Judo Tournament (from Iraq, the President of the Iraqi Judo Federation and two athletes were invited). The Japan Foundation organized and held the Arab Film Festival in Tokyo, including a special section on Iraqi film. Cooperation implemented through UNESCO has included assistance for the restoration of the Iraqi National Museum (the laboratories for the restoration and research of culture of Iraq to enhance security activities at archaeological sites conducted by UNESCO, promotion of literacy and skills for daily life targeting women in particular, and assistance for educational and training facilities for skills and job training.

(Assistance decided and implemented as of January 2006)

 Direct assistance to Iraq (approx. US\$910 million) (including Grassroots Human Security Grant Aid 🛦 and Grant Assistance for Cultural Grassroots

Assistance through international organizations (approx. US\$116 million)

Assistance through NGOS (approx. US\$26 million) Others, International Reconstruction Fund Facility for Iraq (IRFFI) (US\$500

Rehabilitation Plan of Major Hospitals in the Northern Region

Mosul and the surrounding region

Plan for Rehabilitation of Mosul Gas Turbine

Projects ▼)

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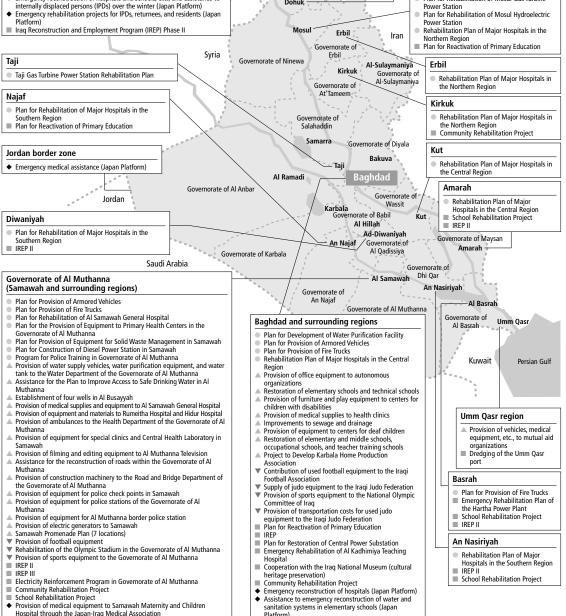
#### Japan's Assistance to Iraq



- Development Plan for Mobile Substation Facility Plan for the Provision of Special Vehicles for Solid Waste and Sewage Management Police Vehicles Provision Plan
- Plan for Provision of Police Buses and Motorcycles
- Plan for Provision of Ambulances
- Plan for Improvement of Trunk Communications Network Through Northern to Southern Region Plan for Improvement of Transit Switches
- Emergency humanitarian assistance
   Needs assessment in the field of education

#### Iraq Northern region (Mosul, Dohuk, Erbil, Al-Sulaymaniya, Kirkuk, Diyala)

- Medical activities and distribution of non-food items (Japan Platform) Emergency reconstruction of hospitals and schools, etc., and assistance to
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- Provision of medical equipment to Samawah Maternity and Children Hospital through the Japan-Iraq Medical Association Distribution of blankets to the citizens of Samawah through the Tokyo
- Foundation
- Provision of teaching materials for Samawah Nursing High-School
- Provision of medical equipment through the Hashemite Charity Organization of Jordan Provision of medical devices through Care International

engaging in economic and social reconstruction in a coordinated manner that transcends ethnicity and religious beliefs. In addition, the Iraqi side requested Japan's continued assistance, expressing profound gratitude for Japan's efforts to date. The Japanese side accordingly conveyed the desire to build a bilateral relationship befitting the assistance that had been extended, referring to Japan's assistance as being one of the largest (in terms of size) in the world.

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### Middle East Peace Process

### (a) Present Situation of the Israeli-Palestinian Conflict, Efforts by the International Community

The implementation of the Roadmap<sup>11</sup> had long been stagnated due to confrontation between the two parties. However, with the presidential election held on January 9, 2005, where Mr. Mahmoud Abbas was elected as president of the Palestinian Authority, some prospects for progress in the Middle East peace process were revived. The direct dialogue was held with Prime Minister Ariel Sharon of Israel on February 8, announcing a cessation of violence. In February and June, Israel released approximately 900 Palestinian detainees, and in March, Israeli forces withdrew from two cities in the West Bank (Jericho and Tulkarem). In addition, President Abbas positioned the maintenance of security as his highest priority, achieving some concrete results in terms of the integration and streamlining of security organizations, and working to maintain the state of calm through the Cairo Declaration, issued on March 17, which announced a cessation of violence by various Palestinian factions.

Following the appointment of President Abbas, the international community sought to extend support for efforts by both the Israeli and Palestinian sides to attain peace. On March 1, the London Meeting on Supporting the Palestinian Authority was held (attended by Senior Vice-Minister for Foreign Affairs Ichiro Aisawa), at which the international community agreed on mobilizing support for President Abbas. In April, President of the World Bank James Wolfensohn was appointed as Quartet's<sup>12</sup> Special Envoy for Gaza Disengagement and engaged in coordination efforts toward the reconstruction of the Gaza Strip after Israeli withdrawal.

On August 15, Israel began the withdrawal of its settlements in Gaza and parts of the northern sector of the West Bank in the Palestinian territories (the withdrawal was completed on September 12). For the first time since the Third Middle East War in 1967, control of the affairs of the Gaza Strip was transferred entirely to the Palestinians. However, following the withdrawal public security remained unstable, as a number of events were witnessed that indicated the progress of Middle East peace process following the withdrawal from Gaza may not be easy; these included the firing of rocket missiles by Hamas<sup>13</sup> and other groups from the Gaza Strip into Israel, followed by retaliatory air strikes on Gaza by Israeli Defense Forces, and incidences of suicide bombings in cities in central Israel, among others.

On November 15, active commitment by the US and EU resulted in the agreement between Israel and the Palestinian Authority to open the Gaza-Egypt border, which was a step forward once again in the peace process. On the other hand, opinion within the Israeli ruling party was split concerning the progress of the peace process. Prime Minister Sharon decided to dissolve the Knesset. He also left the ruling Likud Party and formed a new political party known as "Kadima." Then the date of general election was set on March 28, 2006. However, on January 4, 2006, Prime Minister Sharon was suddenly hospitalized after suffering a stroke, and Vice Prime Minister Ehud Olmert was appointed as Acting Prime Minister.

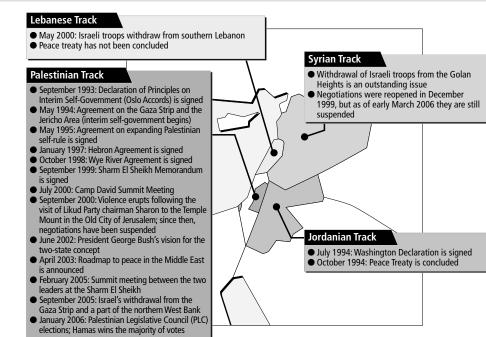
On January 25, 2006, the election for the Palestinian Legislative Council (PLC) was held. The election was the first to be held since 1996, and as the first national election in which Hamas was participating, it garnered a good deal of international attention. The election was

12. The Quartet consists of the UN, US, EU, and Russia.

13. Hamas is an Islamic fundamentalist group having its origins in the Muslim Brotherhood of Egypt. It was established in 1987 by Sheik Ahmed Yassin. Hamas does not recognize the existence of Israel, and is believed to be comprised of political and military wings.

<sup>11.</sup> The Roadmap sets the schedule of measures that should be taken by the Israeli and Palestinian sides in order to realize a settlement of the Palestinian problem by the establishment of an independent Palestinian state that coexists peacefully with Israel (the concept of the peaceful coexistence of two states), as announced by US President George W. Bush in June 2002 (the Roadmap's goal was the establishment of a state of Palestine during 2005). It was announced by the US, the EU, Russia and the UN (the so-called Quartet) in April 2003 and accepted by both the Israeli and Palestinian sides by June of that year.

#### Current Situation of the Middle East Peace Process



held fairly and properly, with voter turnout at a high level of 75%.<sup>14</sup> The result of the election was that Hamas captured more than half of the seats, becoming the largest party.<sup>15</sup> The attention of the international community is concentrated on Palestine, to see what policies a new Palestinian Authority government will take, following the formation of a cabinet.

## (b) Japan's Efforts

Japan has been capitalizing its trusted position with both Israel and the Arab countries to promote the following efforts toward the peaceful coexistence of the two states of Israel and Palestine and regional cooperation: (1) political dialogues with the two sides, (2) assistance to the Palestinians, and (3) measures to promote confidence building.

On the political side, in January 2005 Foreign Minister Machimura visited Israel and the Palestinian territories and engaged in mediating dialogue between both leaders and promoting peace. In addition, in April, Vice Prime Minister Ehud Olmert visited Japan, followed by a visit from President Abbas of the Palestinian Authority in May. The special envoy of the Government of Japan for the Middle East peace process, Ambassador Tatsuo Arima, has been working on both parties, while at the same time engaging in efforts to build constructive and cooperative relations among all countries concerned toward the promotion of the peace process. In April, the Asian-African Summit was held in Jakarta, and Japan worked to ensure that support for the Roadmap was reflected in the joint ministerial statement issued at that time.

In order to support efforts for peace toward the formation of a Palestinian state, Japan's assistance has been conducted based on the three pillars of (1) humanitarian assistance for the stabilization of daily life, (2) assistance for reforms designed to enable the management of a future independent state, and (3) confidence building between the parties concerned, and since 1993 Japan has extended a total of more than US\$830 million in assistance to the Palestinians. In 2005, with the election of President Abbas, Japan announced assistance of US\$60 million on the occasion of Foreign Minister Machimura's visit to Palestine. In May, on the occasion of President Abbas' visit to Japan, Prime Minister Koizumi announced new assistance for immediate needs

<sup>14.</sup> Japan dispatched a government election monitoring mission headed by Parliamentary Secretary for Foreign Affairs Shintaro Ito, in addition to implementing emergency grant aid totaling US\$720,000.

<sup>15.</sup> Final results of the Palestine Legislative Council election: Hamas gained 74 seats and Fatah 45 seats out of a total 132 seats (66 seats are allocated through proportional representation and 66 seats through single seat districts). The voting rate was 74.64%.

worth about US\$100 million, in addition to announcing that Japan intended to offer assistance toward economic independence. US\$50 million of that sum was implemented in the form of emergency assistance following the Israeli withdrawal from the Gaza Strip.

Regarding confidence building, cooperation is being extended for efforts in youth exchange, among others. In addition, the dispatch of Japanese personnel to the Golan Heights as part of the United Nations Disengagement Observer Force (UNDOF) continues (See Chapter 3 Section A-5 Comprehensive Approach to Conflict).

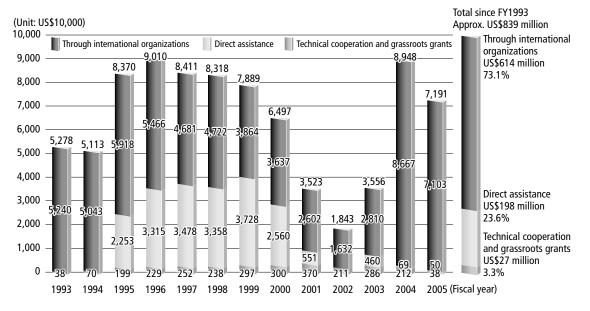
## (c) Syria and Lebanon

In the aftermath of the assassination of former Lebanese President of the Council of Ministers (Prime Minister) Rafic Hariri in February, anti-Syria sentiment grew in Lebanon, thus making the situation in the region fluid. In accordance with the UN Security Council resolution, the

#### Assistance to the Palestinians

#### 1. Trends in Japan's Assistance to the Palestinians (since FY1993, on fiscal year basis)

Total contributions up to date: approximately US\$838.74 million (the figure for FY2005 is the actual data as of March 20, 2006) (Including assistance to Palestinian refugees in Syria, Lebanon and Jordan through UNRWA)



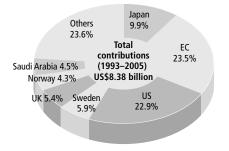
#### 2. Main Points of Japanese Assistance to the Palestinians

- Japan has disbursed a total of more than US\$830 million of economic assistance to the Palestinians since 1993.
- Approximately 70% of total assistance has been provided through international organizations including the United Nations Development Programme (UNDP) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).
- In FY2004 Japan compiled a supplementary budget and extended assistance of US\$60 million (of which US\$30 million was provided in the form of assistance through the World Bank's West Bank and Gaza Public Financial Management Reform Trust Fund and the remainder through the UNDP and UNRWA as humanitarian assistance in response to a UN appeal). The disbursement of assistance in FY2004 was on a par with the previous highest level.

When the President of the Palestinian Authority Mahmoud Abbas visited Japan in May 2005, Japan announced an assistance package totaling US\$100 million (including assistance for the stabilization of public life after the Israeli withdrawal from Gaza).
 As part of this assistance, emergency assistance of around US\$50 million was extended for the rehabilitation of roads and shelters on the occasion of the Israeli withdrawal from the Gaza Strip on September 6.

#### 3. Outline of Assistance to the Palestinians from Major Donor Countries

Contributions by each major donor 1993-2005 (Including assistance to Palestinian refugees in Syria, Lebanon and Jordan through UNRWA)



(As of January 2006: compiled from publicly disclosed sources from the Palestinian Ministry of Planning and UNRWA)

United Nations International Independent Investigation Commission (UNIIIC) was established to assist the Lebanese authorities in their investigation of all aspects of this case, and it was decided that the suspects shall be subject to a certain sanctions. Japan dispatched three criminal identification experts of the Metropolitan Police Department to UNIIIC to contribute to the investigation.

3 Afghanistan

### (a) Political Process

After long civil wars that ruined the state functions of Afghanistan, and the demise of the Taliban administration that followed, a political process was advanced, based on the Bonn Agreement of December 2001, to develop and build state functions. This political process has seen the inauguration of the Transitional Administration (June 2002), the adoption and promulgation of a new constitution (January 2004), a presidential election (October 2004), Wolesi Jirga (Lower House) and provincial council elections (September 2005), concluding with the opening of the Parliament on December 19, 2005.

From the perspective of supporting the implementation of free and democratic elections, Japan has provided assistance amounting to a total of US\$30 million for election implementation expenses, and has also dispatched Election Observation Teams to each election.

### (b) Japan's Reconstruction Assistance Policy

With a determination that Afghanistan should not revert to being a hotbed of terrorism and narcotics, based on the concept of "consolidation of peace," Japan has implemented assistance for the promotion of the political process (support for elections, etc.), improvement of security (Disarmament, Demobilization and Reintegration of Ex-Combatants (DDR) and de-mining activities, etc.), and reconstruction (construction of trunk roads, etc.). From September 2001 to November 2005, Japan's assistance to Afghanistan has totaled approximately US\$1 billion. In particular, DDR activities, led by Japan, have shown significant progress: by December 2005, 63,000 former national army combatants had been disarmed, of whom 61,000 had started the social reintegration process.

Japan has taken a leading role in assistance to Afghanistan, including the coordination of the support

by the international community for Afghanistan's efforts to achieve peace and reconstruction at the International Conference on Reconstruction Assistance to Afghanistan (the Tokyo Conference) held in January 2002, and at the Berlin International Conference on Afghanistan, which Japan co-chaired with Germany. In January 2006, the London Conference on Afghanistan was held, at which Japan announced an additional US\$450 million in assistance to Afghanistan.

## (c) Public Security

Thanks to the efforts of the Afghan people and the international community's assistance, there was no major disruption of public security in the Wolesi Jirga and provincial council elections held on September 18. However, terrorist organizations such as the Taliban, Al-Qaeda, and Hekmatyar continue their activities, mainly in the southern, southeastern, and eastern areas bordering Pakistan. The public security situation remains unstable, with terrorist bombings occurring, including suicide bombings, in areas other than those mentioned above. The fight against terrorism by the international community continues. Aiming to participate actively and substantively in efforts to this end, Japan in November extended for a further year the period of its Anti-Terrorism Special Measures Law.

The Government of Afghanistan, with the support of the international community led by the Group of Eight (G8) major industrialized countries, has been making efforts for security sector reform, including establishing a national army, DDR, rebuilding the police force, counternarcotics measures, and reform of the judicial system. In addition, the International Security Assistance Force (ISAF) led by the North Atlantic Treaty Organization (NATO) is also providing support for the maintenance of public security, and the area for operations is expected to be extended from the northern and western regions to include the eastern and southern regions in 2006.

#### Chronology of the Situation in Afghanistan

2001Sep 11 Oct 7 Nov 13Terrorist attacks in the US US and UK forces commence air strikes on Afghanistan Taliban withdraws from Kabul; Northern Alliance enters Bonn Agreement Inauguration of Interim Authority2002Jan 21–22International Conference on Reconstruction Assistance to Afghanistan (Tokyo) May 1–22003Foreign Minister Kawaguchi visits Afghanistan
Nov 13Taliban withdraws from Kabul; Northern Alliance entersDec 5Bonn AgreementDec 22Inauguration of Interim Authority2002Jan 21–22International Conference on Reconstruction Assistance to Afghanistan (Tokyo)
Dec 5     Bonn Agreement       Dec 22     Inauguration of Interim Authority       2002     Jan 21–22       International Conference on Reconstruction Assistance to Afghanistan (Tokyo)
Dec 22         Inauguration of Interim Authority           2002         Jan 21–22         International Conference on Reconstruction Assistance to Afghanistan (Tokyo)
2002 Jan 21–22 International Conference on Reconstruction Assistance to Afghanistan (Tokyo)
May 1–2 Foreign Minister Kawaguchi visits Afghanistan
may r 2 roreign minister rawagaen visits rughanistan
Jun 11–19 Emergency Loya Jirga
Transitional Administration is established with Interim Administration Chairman Karzai as president
Sep 12 Japan-Afghanistan Summit Meeting (New York)
2003 Feb 20–23 President Karzai visits Japan
Feb 22 Tokyo Conference on "Consolidation of Peace" (DDR) in Afghanistan—Change of Order "from Guns to Plows"
Mar 13–14 Afghanistan Development Forum
Jul 6–13 Prime Minister's Special Representative Ogata visits Afghanistan
Nov 12–16 Parliamentary Secretary for Foreign Affairs Tanaka visits Afghanistan
Dec 14 Constitutional Loya Jirga convenes. Closes with the adoption of new constitution (Jan 24, 2004)
2004 Mar 31–Apr 1 International Conference on Afghanistan (Berlin)
Jul 18–22 Senior Vice-Foreign Minister Aisawa visits Afghanistan
Oct 9 Presidential election (Mr. Karzai elected)
Japanese Election Observation Team dispatched
Dec 7 President Karzai's inauguration ceremony (Kabul)
Japan represented by Senior Vice-Foreign Minister Aisawa (special envoy) and by JICA President Ogata (Prim Minister's Special Representative) (After returning to Japan, JICA President Ogata delivers a report and proposals on support for Afghanistan to Prime Minister Koizumi)
2005 Apr 5 Foreign Minister Machimura visits Afghanistan
Apr 24 Summit Meeting between Prime Minister Koizumi and President Karzai (Jakarta)
May 17–19 Foreign Minister Abdullah visits Japan
Jul 7 Ceremony for Completion of disarmament phase of the Disarmament, Demobilization and Reintegration (DDR) Programme
Sep 18 Wolesi Jirga (Lower House) and provincial council elections held in Afghanistan
Japanese Election Observation Team dispatched
Dec 4–5 Conference on Regional Economic Cooperation (Kabul)
Dec 19 Opening of the National Assembly (completion of political process)

Major Assistance Measures by Japan (Approx. US\$1.01 billion as of November 2005)

- Humanitarian assistance (Approx. US\$154 million)
- Peace building and reconstruction assistance (Approx. US\$856 million)
- Political process (Approx. US\$128 million): Election assistance (financial cooperation and dispatch of observation team), assistance for formulation of Constitution (implementation of seminar by experts from Japan), assistance for administrative expenses, media assistance, etc.
- Improvement of security (Approx. US\$142 million): Disarmament, Demobilization and Reintegration (DDR), Disbandment of Illegal Armed Groups (DIAG), de-mining, assistance for police force, assistance for anti narcotics measures, etc.

© Reconstruction (Approx. US\$586 million): Improvement of Trunk Road from Kabul to Kandahar and Kandahar to Herat, Assistance for resettlement of refugees and internally displaced persons through Ogata Initiative, development of agriculture and rural villages, construction of schools, provision of medicine and medical equipment, etc.

## 4 Iran

In internal affairs, amidst growing despair over the achievements of the reformers, the ninth presidential election was held in June. In the runoff election, the hardline conservative mayor of Tehran, Dr. Mahmoud Ahmadinejad, scored a landslide victory with 17 million votes (62% of total votes) under the banner of "eliminating poverty, corruption, and discrimination." In August, President Ahmadinejad was inaugurated and engaged in the formation of his Cabinet. His choice of minister of foreign affairs, Manouchehr Mottaki (former Ambassador to Japan), and other posts were approved by the Iranian Parliament, while four candidates submitted as cabinet ministers, including the proposed minister of petroleum, were rejected. In November, the ministers of education, cooperatives and social security were approved, but the candidate for the minister of petroleum still did not receive approval. Finally in December, Kazem Vaziri Hamane was appointed as minister of petroleum. It remains to be seen whether the new administration can meet the expectations of the people of Iran for improvements in the economic situation.

Concerning external relations, as in the previous year, the issue of Iran's nuclear program continued to hold the attention of the international community. In August, in dissatisfaction at the contents of a proposal submitted by the EU3 (United Kingdom [UK], France, and Germany) on a long-term agreement, Iran immediately rejected the proposal and in contravention of the demands laid out in resolutions of the International Atomic Energy Agency (IAEA) Board of Governors' Meetings and the Paris Agreement concluded with the EU3 in November 2004, resumed uranium conversion activities. In response, the IAEA Board of Governors immediately convened a special meeting. Expressing serious concern over Iran's actions, the session adopted a resolution without voting, which urged Iran to reestablish full suspension of all enrichment-related activities. Given Iran's refusal to suspend uranium conversion activities, an

#### Chronology Concerning Iranian Nuclear Issues

2002	Aug	Iranian opposition group discloses Iran's construction of heavy water production plant (Arak) and underground uranium enrichment program (Natanz).
2003	Feb	IAEA Director-General El Baradei visits Iran. IAEA verification activities within Iran continue.
	Sep	IAEA Board of Governors adopts a resolution calling on Iran to cooperate with the IAEA, to sign and ratify the Additional Protocol and to suspend all further uranium enrichment-related and reprocessing activities.
	Oct	Iran provides a report of its nuclear activities to the IAEA.
	Nov	IAEA Board of Governors adopts a resolution welcoming positive steps taken by Iran but strongly deploring Iran's past activities on uranium enrichment, etc., urging Iran to take further positive steps (Japan being a member of the group of countries to make the proposal).
	Dec	Iran signs the Additional Protocol in Vienna, which will come into effect after being ratified by Iran.
2004	Mar	IAEA Board of Governors adopts a resolution calling on Iran to continue to strengthen cooperation with IAEA.
	Jun	IAEA Board of Governors adopts a resolution calling on Iran to take all necessary steps on an urgent basis to help resolve all outstanding issues. Iran defies the resolution by resuming its uranium enrichment-related activities.
	Sep	IAEA Board of Governors adopts a resolution urging Iran to provide IAEA with complete information and suspend uranium enrichment-related activities.
	Nov	As a result of consultations between EU3 (UK, France, Germany) and Iran, Iran agrees to suspend enrichment-related activities (Paris Agreement). The suspension of enrichment-related activities is realized and Iran and the EU3 initiate negotiations on a long-term resolution. Subsequently IAEA Board of Governors adopts a resolution calling on Iran to continue the suspension of enrichment-related and reprocessing activities, and requesting the Director-General to inform Board members should the suspension not be fully sustained.
2005	Aug	The EU3 submit a proposal for a long-term agreement to Iran, but Iran rejects the proposal and resumes part of its uranium conversion activities which are a part of the uranium enrichment-related activities suspended under the Paris Agreement. A special meeting of the IAEA Board of Governors is held in response to this development and a resolution is adopted expressing serious concern to Iran, and urging that Iran reestablish the full suspension of all enrichment-related activities.
	Sep	IAEA Board of Governors adopts a resolution finding that Iran is in non-compliance with the NPT Safeguards Agreement, and calling on Iran to cooperate with the IAEA and reestablish the full and sustained suspension of all enrichment-related and reprocessing activities.
	Nov	IAEA Board of Governors meeting does not adopt a resolution given the continuing diplomatic efforts among related countries to restart negotiations between the EU3 and Iran, and the director-general issues a report based on the standpoint of each country.

IAEA Board of Governors' Meeting held in September adopted a further resolution on Iran, with a majority of parties in agreement (In favor: 22 (including Japan), Opposed: 2, Abstentions: 12). Subsequently, although diplomatic efforts continued toward the reopening of the negotiations that had stalled since Iran resumed uranium conversion activities, a breakthrough remained elusive, and in January 2006 Iran resumed uranium enrichmentrelated activities. In response to this development, a Special Meeting of the IAEA Board of Governors convened in February and adopted a majority resolution requesting the director-general to report to the UN Security Council on the matter. Subsequently, Iran resumed uranium enrichment activities at a research facility in the country.

The new administration has set as one of its priority policies the expansion of relations with neighboring countries and with other Islamic nations, and in this context Foreign Minister Mottaki visited Kuwait, the United Arab Emirates (UAE), Qatar, Oman, and Bahrain in October, and Turkmenistan, Syria, Egypt, Azerbaijan, and Turkey in November. At the same time, President Ahmadinejad has invited stinging criticism from European and other countries for statements (October, December) in which he denied the existence of Israel and that the occurrence of the Holocaust ever took place.

The visit to Iraq in May by then-Minister of Foreign Affairs Kamal Kharrazi was followed in July by Prime Minister Jaafari's visit to Iran, which was the first visit by an Iraqi leader to Iran since the Iran-Iraq War (1980-1988). Since then cabinet-level visits from Iraq to Iran have been continuing. Iran has, moreover, shown an active approach to Iraq, through the attendance of then-Foreign Minister Kharrazi at such gatherings as the Meeting of the Neighboring Countries of Iraq held in Istanbul, Turkey in April, and the Iraq International Conference held in Brussels, Belgium in June.

Through active political dialogue Japan has been urging Iran, a major Middle Eastern power, to continue its internal reforms and expand its relations with the international community and to play an even more active role in the peace and stability of the Middle East and the international community as a whole. In particular, with regard to the nuclear issue, from its position as the only country to have experienced nuclear devastation, Japan has been calling on Iran to faithfully implement all the requirements of the relevant resolutions of the IAEA Board of Governors through opportunities such as the visit to Iran by Senior Vice-Minister for Foreign Affairs Ichiro Aisawa in January 2005, the Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons (NPT) in May, the Japan-Iran Foreign Ministers' Meeting at the UN General Assembly in September, and a visit to Japan by First Vice Speaker Mohammad Reza Bahonar of the Islamic Consultative Assembly of Iran.

In economic and cultural aspects too, exchange between Japan and Iran has been vigorous, including the visit of Minister of Commerce Mohammat Shariatmadari as a guest of the 2005 World Exposition, Aichi, Japan, the opening of an office of the Japan International Cooperation Agency in Tehran, and the participation from Iran in the World Civilization Forum 2005 held in Japan in July.

## 5

# The Situation in the Gulf Countries

For the Gulf countries, including Saudi Arabia, the downfall of the Saddam Hussein regime represented the removal of a major security threat. At the same time, the Gulf countries are concerned about the direction of the nuclear issue in Iran, as well as Iran's expanding influence on Iraq. In addition, with a view to maintaining political and military balance with Iran, a major power in the Middle East, the Gulf countries have come to attach greater importance to their relations with the US, whose influence has further grown in the region.

The Gulf Cooperation Council for the Arab States of the Gulf (GCC),<sup>16</sup> rather than being an organization characterized by its unified efforts to respond to security threats, is becoming increasingly characterized by its position as a regional economic alliance—headed toward a tariff alliance and a unified market—in response to the changing geopolitical situation in the Gulf region. As for the situation in Iraq which wields a significant influence over the Gulf countries, the GCC welcomed the National Assembly election that took place in Iraq in December, calling for the realization of national reconciliation that could guarantee Iraq's stability and sovereignty, while taking a position whereby GCC member states undertook to continuously support the process of reconstruction in Iraq.

With regard to issues of public security, the Saudi

<sup>16.</sup> Established by six Gulf countries in 1981 as a regional political initiative.

Arabian government convened the Counter-Terrorism International Conference in February. This reflects efforts by the countries in the region to ensure measures for counter-terrorism and public security, which are carried out individually by each country, as well as in cooperation with the GCC and the international community.

The generational shift in leadership in the region has continued with the passing in November 2004 of President Sheikh Zayed bin Sultan Al Nahyan of the UAE and the passing of King Fahd Bin Abdulaziz Al Saud of Saudi Arabia in August 2005. In Kuwait, women finally gained the right to vote, with a years-long pending issue cleared, while the country's first female cabinet minister was also appointed. In the UAE, too, trends toward democratization were evident, as the country announced its intention to select half of the seats in its Federal National Council (FNC) through elections.

The Gulf countries are currently enjoying the benefits of an oil boom due to increased income from current high crude oil prices. However, many of the Gulf countries rely on foreign workers for much of their labor needs and unemployment among the younger population remains a serious social issue. For this reason, raising the skills of domestic workers and increasing their share in the labor market are tasks that need to be promoted.

#### Japan's Efforts

Ensuring the peace and security of the Middle East is an issue that directly influences the peace and stability of the international community as a whole, and also impacts directly on Japan's energy security. For this reason, Japan has developed diplomatic relations with the Gulf countries, taking heed of various situations which those countries face.<sup>17</sup>

Japan is assisting in measures to provide employment for youth, for example by providing human resources development assistance for vehicle maintenance in Saudi Arabia. In addition, aiming to create multilayered relations with the GCC countries, Japan is engaged in various activities in terms of cooperation in the environmental and education sectors, as well as dialogue between civilizations and people-to-people exchanges. On the occasion of the 50th anniversary of the establishment of diplomatic relations with Saudi Arabia a variety of cultural events were held both in Japan and in Saudi Arabia.

### 6

## North Africa (including the Maghreb)

The North African region, possessing both Arab and African aspects, witnessed various developments both internally and in relations with Japan.

In Egypt, amidst observed criticism of the longrunning administration of President Hosni Mubarak, the first-ever multiple candidate presidential election was held in September, with the incumbent taking an overwhelming majority of votes to win a fifth consecutive term in office. In the election for the People's Assembly that was implemented in stages from November to December, the National Democratic Party (NDP), which is headed by President Mubarak, claimed two-thirds of the vote, while the Muslim Brotherhood (a moderate Islamic fundamentalist organization) also made considerable gains. In diplomatic aspects, Egypt has played an active role in the solution of various regional issues, including those related to the Middle East peace process, Iraq and Sudan. At home, two massive terrorist bombings took place, one in April in Cairo, and the other in July in Sharm el-Sheikh, both believed to be the work of Islamic extremists.

In Sudan, a comprehensive peace agreement was concluded in January 2005 between the government in the north of the country and the opposition group (the Sudan People's Liberation Movement (SPLM)) in the south. Thus, 20 years of north-south civil war came to an end. At the Oslo Donors' Conference on Sudan in April,

<sup>17.</sup> In official visits between governments, former Prime Minister Ryutaro Hashimoto visited Saudi Arabia in January 2005 and the UAE in July. In August, His Imperial Highness The Crown Prince, accompanied by former Prime Minister Hashimoto visited Saudi Arabia to pay condolences on the demise of His Majesty King Fahd. In January 2006, Foreign Minister Aso visited Kuwait to offer condolences on the demise of H.H. Sheikh Jaber Al-Ahmad Al-Jaber Al-Sabah. In April 2005, Senior Vice-Minister for Foreign Affairs Ichiro Aisawa visited the UAE, and through visits in January, March, April and June Parliamentary Secretary for Foreign Affairs Katsuyuki Kawai visited Yemen and all the GCC countries, with the exception of the UAE. Parliamentary Secretary for Foreign Affairs Keishiro Fukushima visited the UAE and Kuwait in March and May, and in November Special Envoy of the Prime Minister Hiroyuki Hosoda visited Saudi Arabia to attend the opening ceremony of a new permanent headquarter office building of the International Energy Forum (IEF) secretariat. From the Gulf countries, in June His Highness Sheikh Hamad Bin Khalifa Al Thani, Amir of the State of Qatar, paid an official working visit

from the Gulf countries, in June His Highness Sheikh Hamad Bin Khalifa Al Thani, Amir of the State of Qatar, paid an official working visit to Japan, and in November President Ali Abdullah Saleh of Yemen paid a visit at the invitation of the Government of Japan.

#### DIPLOMATIC BLUEBOOK 2006

Japan announced that it would provide assistance totaling US\$100 million in the near term for mine clearance and return as well as the reintegration of refugees and internally displaced persons. In addition, Japan has provided cooperation in terms of materials and also made a contribution in personnel to the ongoing United Nations Mission in Sudan (UNMIS).<sup>18</sup> However, the humanitarian situation in the Darfur region in the west of Sudan remains a cause for concern, and the African Union (AU) is making efforts to resolve the issue, including by deploying a ceasefire monitoring mission as well as mediating in the peace negotiations. To support such activities by the AU, Japan provided assistance amounting to US\$2.07 million in March and approximately US\$2.8 million in October.

Since December 2003 when Libya announced that it would dismantle its weapons of mass destruction (WMD) programs, it has been making efforts to rehabilitate itself in the international community. In April 2005, President of the Gaddafi International Foundation for Charity Associations Saif al Islam Muammar al Gaddafi, the son of Colonel Muammar al Gaddafi, visited Japan.

With regard to the countries of the Maghreb, once part of the Mediterranean Civilizations, now possessing



During the visit of HM The King of Morocco to Japan, Senior Vice-Minister for Foreign Affairs Kaneda (right) signs bilateral documents (November 29, State Guest House, Moto Akasaka, Tokyo) (Photo: Public Relations Office, Cabinet Office)

facets of the three civilizations of the Arab world, Africa and the Mediterranean, Japan received in November a State Visit by His Majesty the King Mohammed VI, King of Morocco, as the first king of the country to make a state visit to Japan. In addition, in January 2006, Speaker of the House of Representatives Yohei Kono paid an official visit to Tunisia, where he delivered a speech at the opening ceremony of the Fourth Seminar on the Dialogue among Civilizations between Japan and the Islamic World.

7

## The Broader Middle East and North Africa Initiative

"The Broader Middle East and North Africa Partnership" was agreed at the G8 Sea Island Summit in June 2004 as a measure by the G8 to support the countries of the Broader Middle East and North Africa (BMENA)<sup>19</sup> for their own efforts for political, economic and social reform. As a follow-up to this agreement, the first meeting of the "Forum for the Future" was held in Rabat, Morocco in December 2004 with foreign ministers and other cabinet members attending from G8 and BMENA countries. Subsequently, throughout 2005, G8 and BMENA countries under the auspices of the forum have made specific efforts in areas such as education, vocational training, democracy, civil society, support for small and medium enterprises, and the fostering of entrepreneurship. With regard to democratization, there have been various positive steps toward reform, including the implementation of the first ever municipal elections in Saudi Arabia (February to April), the

granting of the vote to women in Kuwait (May), and the implementation of the first ever multiple candidate presidential election in Egypt (September).

Based on the belief that the "ownership" and the "diversity" of the BMENA region are the keys to reform, Japan has considered it imperative to provide the region's generation with as many employment opportunities as possible, in order to meet the urgent need for work among the fast growing young population, and has been leading efforts in the vocational training sector. In September, Japan co-hosted the Workshop on Technical and Vocational Education and Training (TVET) with Jordan in Amman. At the workshop, in order to advance efforts to expand employment opportunities, the participants agreed to seek the possibility of establishing a mechanism for vocational training based on the idea of public private partnerships (PPP), taking into account the importance of the balance between supply and

<sup>18.</sup> For details about peacekeeping operations (PKO), refer to Chapter 3. Section A-5 "Comprehensive Approach to Conflict."

<sup>19.</sup> Although the countries covered by "Broader Middle East and North Africa" are not specified, they are considered to include the Middle East (including North Africa) and countries in surrounding regions (Pakistan, Afghanistan, etc.).

demand in the labor market.

In the education sector, the regional countries have demonstrated initiatives, as Algeria and Egypt held meetings of experts on literacy in April and in September, and Jordan hosted the G8-BMENA Education Ministerial Meeting in May. At the Ministerial Meeting, Parliamentary Secretary for Foreign Affairs Keishiro Fukushima spoke about Japan's knowledge and experience in achieving its current development and prosperity based on its human resources development through education. He also introduced Japan's assistance for reforms, particularly in the fields of education and vocational training.

Based on these continued efforts toward reform, the second meeting of the Forum for the Future was held in

November in Bahrain. At the meeting, each country introduced its reform efforts, and the US and partner countries<sup>20</sup> also announced the Foundation for the Future and the Fund for the Future, which will function as international frameworks to assist small and medium enterprises and non-governmental organizations (NGOs) in BMENA countries. Senior Vice-Minister for Foreign Affairs Katsutoshi Kaneda, who had been invited to attend as Japan's representative at the meeting, introduced Japan's efforts including the Workshop on Technical and Vocational Education and Training. He further announced Japan's intention to advance assistance for women and other initiatives for human resources development in BMENA countries.

#### Japan's Efforts in the Broader Middle East and North Africa (BMENA) Initiative **Challenges Faced by the Middle East Region** International Situation Surrounding the Middle East Lack of democratic political systems and public dissatisfaction concerning politics September 2001 Terrorist attacks on US Economic structure that is highly reliant on natural resources and March 2003 Military action in Iraq foreign labor, in addition to large disparity between rich and poor June 2004 G8 Sea Island Summit High youth unemployment rates (Agreement on BMENA Inequality and closed nature of society as seen through lack of social Initiative) participation by women Issues of low literacy rates and ways to improve educational levels **Increasing Momentum for Reform** In response to various challenges, it was agreed that the G8 would support BMENA countries' own efforts for political, economic and social reform. → December 2004: 1st Forum for the Future (Morocco) → November 2005: 2nd Forum for the Future (Bahrain) Japan's Initiatives Initiatives by Country/Organization Democratization (US, Italy, Turkey, Yemen) **People-Oriented Approach** Fund to support SMEs (IFC) Micro Finance (World Bank) Contribution of US\$10 million to fund to assist SMEs Vocational Training Workshop (September 2005) Investment (Arab Business Council, OECD) Nurturing entrepreneurs (Morocco, Bahrain) Cooperation with the OECD MENA Initiative Funding network (Arab Monetary Fund, World Bank) (investment and governance program) Vocational training (Japan, Jordan, Egypt, Morocco, Bahrain,

- Women (Skills development and support for entrepreneurs)
- Vocational training (Japan, Jordan, Egypt, Morocco, Bahrain, Germany, EU, UNESCO/UNEVOC)
- Education/Literacy (UK, Canada, Jordan, Algeria, Egypt)

20. Six countries: Hungary, Switzerland, Spain, the Netherlands, Greece, and Denmark.