

### 1. Asia and Oceania

#### General Overview

The stature and importance of the Asia-Oceania region has risen significantly in recent years. It is home to many of the emerging countries, boasts a high rate of economic growth, and is blessed with an abundance of human resources. The Asia-Oceania region is a world growth center and has been enhancing its presence in the global economy. Of the world's population of 7 billion, approximately 3.4 billion live in East Asia Summit (EAS) member states<sup>2</sup> (excluding the U.S. and Russia). This represents 48.3%<sup>3</sup> of the world's population. The combined nominal GDP of ASEAN member states, China and India grew 370%<sup>4</sup> over the last 10 years, as compared with the world average of 110%. Total exports and imports of EAS member states (excluding the U.S. and Russia) is US\$10.5 trillion, making it the second largest market behind the EU (US\$11.3 trillion). Of these exports and imports, 43.3%<sup>5</sup> are intra-regional, illustrating the close economic ties between these nations and their high degree of economic interdependence. In recent years, Japanese-led foreign investment has enabled development of closely integrated supply chains that extend across the entire region. As the middle class expands, overall purchasing power is expected to rise sharply. This will support strong economic growth within the region, and the huge demand for infrastructure and massive purchasing power of this large middle class will also help to bring renewed affluence and vitality to Japan. Realizing affluence and stability throughout Asia and Oceania is indispensable for Japan's peace and prosperity.

the security environment surrounding Japan within the Asia-Oceania region is becoming increasingly severe. North Korea continues its nuclear and missile development and engages in provocation; countries in the region are modernizing their military forces in a manner that lacks transparency, and are trying to change the status quo through the use of force or coercion; and tensions within the region are growing over maritime issues, including issues in the South China Sea. Other factors hindering the stable growth of the region include immature financial markets, environmental pollution, limited supplies of food and energy, and aging populations.

#### Japan–U.S. Alliance

As the security environment in the Asia–Pacific region becomes increasingly severe, the Japan–U.S. Alliance as the linchpin of Japan's diplomacy has become more important than ever. Against this background, Japan therefore welcomes the continued implementation of the United States' rebalancing toward the Asia– Pacific, as this contributes greatly to the stability and prosperity of the region. Japan continues to closely cooperate with the United States in a wide range of areas including security and economy, in order to maintain the rule of law in this region, not the rule by force.

#### China

In recent years, China has achieved rapid economic development while facing a variety of social and economic challenges, and has significantly enhanced

In contrast to the favorable economic growth climate,

<sup>&</sup>lt;sup>2</sup> ASEAN (member states: Indonesia, Cambodia, Singapore, Thailand, the Philippines, Brunei, Viet Nam, Malaysia, Myanmar, Laos), Japan, China, the ROK, India, Australia, and New Zealand.

<sup>&</sup>lt;sup>3</sup> World Bank (WB) World Development Indicators.

<sup>&</sup>lt;sup>4</sup> WB World Development Indicators

<sup>&</sup>lt;sup>5</sup> International Monetary Fund (IMF) Direction of Trade Statistics May 2012

its presence within the international community in various fields. The entire international community, including Japan, welcomes the development of China as a responsible, peace-loving nation. However, China's moves to strengthen its military capabilities without sufficient transparency, and its increased maritime activities are causing concern in the entire region. Japan and China are neighbors separated by the East China Sea, and have cultivated a very close relationship, with mutually interdependent economies and frequent people-to-people and cultural exchanges. At the same time there are a number of political and social differences between the two countries, and precisely because of their close relationship it is inevitable that frictions and confrontations should sometimes occur.

With regard to the Senkaku Islands, these islands are clearly an inherent part of the territory of Japan, in light of historical facts and based upon international law. Indeed, they are under the valid control of Japan. There exists no issue of territorial sovereignty to be resolved concerning the Senkaku Islands. Japan conducted a series of field surveys of the Senkaku Islands beginning in 1885, and after ascertaining that there was no trace of their having been under the control of another state including the Qing Dynasty of China, the Senkaku Islands were formally incorporated into the territory of Japan in January 1895. Later, with the permission from the Japanese Government, private enterprises were established on the islands, engaging in activities such as the processing of dried bonito, and the islands counted more than 200 inhabitants at one point. After World War II, the San Francisco Peace Treaty placed the Senkaku Islands under the administration of the U.S. as a part of Okinawa. In 1895, when Japan acquired sovereignty over the Senkaku Islands by lawful means under the international legal framework which existed at that time, and until the 1970s, after the potential existence of oil reserves in the East China Sea was reported, China made no objections whatsoever regarding Japan's sovereignty over the Senkakus. Moreover, China has offered no explanation as to why it failed to raise any such objections during this period.

Since September 2012, with the exception of periods of severe weather, China has sent government-owned vessels around Senkaku Islands on an almost daily basis. From January through December 2013 China's government-owned vessels intruded into Japanese territorial waters 52 times (involving a total of 180 vessels), and on one occasion in August remained in Japanese territorial waters for over 28 hours, China's longest intrusion to date.

Japan is firmly resolved to defend its territorial land, sea and air space, and continues, through diplomatic channels, to lodge strong protests and to demand the withdrawal of Chinese vessels from these waters. Given this situation, in order to prevent unforeseen contingencies Japan has proposed the early deployment of a Maritime Communication Mechanism, involving the defense authorities of both countries, but as of vet China has not accepted this proposal. Further, on November 23, the Ministry of National Defense of the People's Republic of China announced that it had established the "East China Sea Air Defense Identification Zone." The announcement unilaterally obliges aircraft flying in international airspace to abide by Chinese domestic procedures, and refers to "defensive emergency measures" that would be taken in case such aircraft do not follow those procedures. The announced measures unduly infringe the freedom of flight in international airspace, which is the general principle of international law. In addition, the so-called "zone" established by the Chinese Ministry of National Defense makes it appear as if the airspace over the Senkaku Islands, which is an inherent part of the territory of Japan, were a part of China's "territorial airspace." Such a representation is completely unacceptable. The Government of Japan has expressed its concerns about these issues by issuing a statement by the Minister for Foreign Affairs, and immediately made strong protests to China, demanding that China revoke all measures interfering with the freedom of flight in international airspace. Japan will continue to deal firmly but in a calm manner with China's attempts to unilaterally alter the status quo by coercive measures, and will urge China not to allow the situation to escalate.

In spite of these difficulties, Japan's relationship with China represents one of Japan's most important bilateral relationships. Although after the transfer of ownership of three of the Senkaku Islands to the Government of Japan September 2012, tensions between Japan and China affected economic relations in various ways, relations in the economic field and the number of Chinese visitors to Japan began to recover during the second half of 2013. In terms of people-to-people exchanges as well, Japan has been endeavoring to build and strengthen a wide range of relationships by inviting Chinese from various strata of society and fields to visit Japan. Both countries share responsibility for the peace and stability of the region and of the international community. Japan believes that it is in the interests of both Japan and China, as well as the international community, for both countries to adopt a broad perspective, and improve their relations by

reaffirming the basic principles of a "Mutually Beneficial Relationship Based on Common Strategic Interests." On Japan's side, the door to dialogue is always open. Rather than taking the attitude of refusing to engage in dialogue until after all issues are resolved, Japan's position is that it is precisely because challenging issues exist between the two countries that frank discussions should be held.

#### Taiwan

Taiwan is an important partner and has close economic ties with Japan. In April 2013 a long-pending Japan-Taiwan Fisheries Arrangement was signed, reinforcing the framework for cooperation between Japan and Taiwan. People-to-people exchanges between Japan and Taiwan are very vigorous, and the number of short-term visitors traveling between Japan and Taiwan set a new record in 2013. Cultural exchanges are also very active. In April the Takarazuka Revue theater company gave its first performance in Taiwan, and achieved great success. In 2014 a special exhibition from Taiwan's Palace Museum is scheduled to be held in Japan. In line with the 1972 Japan-China Joint Communique, the relationship between Japan and Taiwan is maintained through working relations at the non-governmental level, with emphasis on promotion of working cooperation to achieve closer economic ties.

#### Mongolia

Mongolia is an important partner to Japan, and the two countries share fundamental values such as freedom, democracy and a market economy. Results achieved by two summit meetings in 2013 helped raise the "Strategic Partnership" between the two countries to a new level. Japan will continue to strive to strengthen its mutually beneficial and complementary relations with Mongolia.

#### Republic of Korea

The Republic of Korea (ROK) and Japan are the most important neighboring countries to each other, which share fundamental values such as freedom, democracy, and respect for basic human rights. The two countries also share common interests in maintaining regional peace and security. President Park Guen-hye took office in February 2013, and the new governments of Japan and the ROK, aware of the importance of cooperation towards the 50th anniversary, in 2015, of the normalization of relations between the two countries, have deepened communication at various levels with the aim of improving their relations. In recent years, the people of Japan and the ROK have steadily deepened and expanded their mutual understanding and interaction, while economic relations remain very close. Despite the fact that the two countries face difficult issues, in light of the current situation in the East Asia, Japan will continue to make steady efforts toward building future-oriented and multi-layered relations with the ROK in every field, including politics, economy and culture from a broader perspective.

Japan and the ROK have an issue concerning the sovereignty over Takeshima. The Government of Japan maintains a consistent position that Takeshima is clearly an inherent territory of Japan, in light of historical facts and based upon international law. Japan will continue to make efforts to settle this territorial dispute in a peaceful manner based on international law.

As regards the issue of "comfort women," Japan has made sincere efforts to address this issue. Japan's position is that the issues of property and claims between the two countries, including the "comfort women" issue, have already been settled legally. However, in order to offer practical assistance to former "comfort women," Japanese nationals and the Japanese government established the Asian Women's Fund, which provided funds for various medical and welfare support projects and "atonement money." In addition, then-Prime Ministers of Japan sent a letter expressing apologies and remorse directly to each of the former "comfort women." Japan will continue to exert its utmost effort to gain understanding on its position and the earnest and sincere efforts it has made.

With regard to problems arising from the juridical decisions in the ROK concerning the "Requisition of civilians" from the Korean peninsula, Japan has consistently taken the position that the issues of property and claims between Japan and the ROK have been settled completely and finally through the Agreement on the Settlement of Problem concerning Property and Claims and on Economic Co-operation Between Japan and the Republic of Korea, and will continue to deal appropriately with the issues on that basis.

#### North Korea

North Korea continues its efforts to consolidate the regime centered on Kim Jong-Un, the First Chairman of the National Defense Commission (NDC). During the past year, there were some moves in this regards such as the purge of Jang Sung-Taek, Vice Chairman of the NDC, in December 2013. Following the two missile launches conducted in 2012, North Korea carried out a nuclear test in February 2013 in violation of United Nations Security Council (UNSC) resolutions. North

Korea's nuclear and missile development remain a serious threat, not only to the region but also to the entire international community. Japan will continue to closely coordinate with countries concerned including the U.S., the ROK, China and Russia in urging North Korea to refrain from any further provocation, and to take concrete actions toward denuclearization and other goals in compliance with the Six-Party Talks Joint Statement and the relevant UNSC resolutions. The Government of Japan, under its policy of "dialogue and pressure" and in accordance with the Japan-DPRK Pyongyang Declaration, will continue to work in close coordination with other countries concerned toward the comprehensive resolution of the outstanding issues of concern such as the abductions, as well as nuclear and missile issues. With cooperation from the international community, Japan will continue to make its utmost efforts toward the complete resolution of the abductions issue based on the position that the normalization of relations with North Korea can never be achieved without the resolution of the abductions issue.

In March 2013, the United Nations Human Rights Council authorized establishment of a Commission of Inquiry (COI) on human rights in the DPRK, and in February 2014 this Commission released its final report, which comprehensively details the grave human rights violations in North Korea, including the abductions issue. Based on this report Japan, in collaboration with the international community, will play a leading role in urging North Korea to take concrete action to improve the human rights situation in North Korea.

#### Southeast Asian Countries

High rates of economic growth are helping to boost the importance and presence of the Southeast Asian countries within the Asia-Oceania region. Japan has been working to strengthen relations with each of the ASEAN member states, based on a longstanding history of friendly relations. 2013 marked the 40th Year of ASEAN-Japan Friendship and Cooperation. During that year, Prime Minister Shinzo Abe paid official visits to each of the ASEAN member states. and in December the ASEAN-Japan Commemorative Summit was held in Tokyo. In addition, other high-level exchanges were maintained through frequent visits to ASEAN member states by Foreign Minister Kishida and other Cabinet members. The strategic environment of the Asia-Oceania region has changed in recent years, and in order to achieve peace and prosperity in the region, Japan will continue to reinforce its dialogue and cooperation with Southeast Asian countries in the fields of politics and security. Moreover, as a growth

center for the 21st century, the Southeast Asia region, particularly in recent years, is attracting attention as a desirable partner for investment and trade. Against this backdrop, and hoping to take advantage of the vitality of this region to reinvigorate its own economy, Japan supports the development of the infrastructure and investment environment in this area. Japan is also working to reinforce people-to-people and cultural exchanges, and took advantage of the fact that 2013 marked the 60th anniversary of the establishment of diplomatic relations between Japan and Cambodia, the 40th anniversary of the establishment of diplomatic relations between Japan and Viet Nam (Japan-Viet Nam Friendship Year), and the 55th anniversary of the establishment of diplomatic relations between Japan and Indonesia to further promote friendly relations with the Southeast Asia region. In addition, youth exchanges were organized through programs such as JENESYS 2.0, and the easing of visa requirements boosted the number of tourists visiting Japan from Southeast Asian countries, including Thailand, Cambodia, Indonesia, Laos, Malaysia, the Philippines, Viet Nam and Myanmar.

#### Australia and New Zealand

Australia and New Zealand are important partners of Japan within the region and share the same fundamental values as Japan. The two countries have also been working with Japan to address regional and global issues. Japan and Australia enjoy steadily deepening, mutually complementary economic ties, particularly in the areas of trade and investment. Moreover, as strategic partners working together for the peace and stability of the international community, Japan and Australia are steadily strengthening their relationship in terms of security and defense cooperation. Japan and New Zealand have maintained friendly relations for many years, and this connection was further reinforced in 2013 as the foreign ministers of both countries confirmed the elevation of their relationship to that of a "Strategic Cooperative Partnership."

#### Pacific Islands Region

Many of the Pacific Island countries are friendly toward Japan and are important partners of Japan in terms of cooperation within the international community and in the supply of fisheries and mineral resources. In October 2013, the Pacific Islands Leaders Meeting (PALM) Second Ministerial Interim Meeting was held in Tokyo and Sendai. A summary was issued by the Chair, reaffirming the cooperation between Japan and the Pacific region, particularly in the areas of international maritime order, resource management, and trade and investment.

#### South Asia

South Asia is becoming increasingly important in the international arena with its large population of approximately 1.6 billion, its geopolitical importance, and the continued high rates of economic growth enjoyed by many countries in the region. Japan will further strengthen the economic relationships with South Asian countries with which it traditionally has friendly and cooperative relations. Moreover, Japan will continue its cooperation for each country's efforts such as establishing national reconciliation and democratization. Japan established the Strategic and Global Partnership with India in 2006, and the two countries share values such as democracy and respect for the rule of law. Japan is working to further strengthen its basic relationship with India in a wide range of areas, including security, economy and people-to-people exchange. In May 2013, Prime Minister Manmohan Singh visited Japan, and Prime Minister Abe visited India in January 2014. In Pakistan, which plays a key role in counter-terrorism, a democratically elected civilian government completed a full term in office for the first time ever, and achieved a democratic transition of power via elections held in May. Japan will continue to encourage Pakistan's positive effort and cooperate with it to promote the peace and stability of the region and the entire international community.



Their Majesties the Emperor and Empress visit the Tamil Nadu Association for the Welfare of the Physically Handicapped (December 5, 2013, Chennai, India; Source: Jiji press)

#### Strengthening Regional Cooperation

As described above, the strategic environment surrounding the Asia-Oceania region is changing rapidly, and it is becoming extremely important for Japan to cooperate and strengthen its relations with the countries of this region. While continuing to strengthen the Japan-U.S. Alliance, Japan's policy will be to play an active role in promoting peace and prosperity in the region by reinforcing its relations of trust and cooperation with its partners in Asia-Oceania and elsewhere. In addition to strengthening bilateral relations, Japan will also make active use of trilateral arrangements for dialogue such as those among Japan, China and the ROK, Japan, the U.S. and the ROK, and Japan, the U.S. and Australia, as well as larger multilateral frameworks such as Japan-ASEAN, ASEAN+3,6 EAS, APEC, ARF and others. With regard

to the trilateral cooperation among Japan, China and the ROK, although no summit or foreign ministers' meetings were held, working-level cooperation made continued progress in various areas such as those of environment, culture, disaster risk reduction, and health.

Japan considers ASEAN's central role in promoting regional cooperation as extremely important for stability and prosperity in the entire East Asia region. Japan places great importance on its relationship with ASEAN in the context of regional cooperation, and is helping to promote the integration of ASEAN. 2013 marked the 40th Year of ASEAN–Japan Friendship and Cooperation, and during that year Prime Minister Abe and other Cabinet ministers worked vigorously to promote ASEAN diplomacy. In January the first countries visited by Prime Minister Abe and Foreign Minister Kishida after the formation of the Abe Cabinet

<sup>&</sup>lt;sup>6</sup> Regional framework consisting of ASEAN, Japan, China, and the ROK.

were ASEAN member states, and during his visit to Indonesia Prime Minister Abe announced his "Five Principles for Japan's ASEAN Diplomacy."<sup>7</sup> and pledged to work together with ASEAN as an "equal partner," Since that time Prime Minister Abe has continued to place great importance on ASEAN diplomacy, visiting all the member states of ASEAN and holding top-level summits with the leaders of each member state within a year. Crowning this work was the ASEAN-Japan Commemorative Summit held in Tokyo on December 13-15, at which the assembled leaders adopted the Vision Statement on ASEAN-Japan Friendship and Cooperation, which outlined the future direction of cooperation between Japan and ASEAN, based on four major themes: Partners for Peace and Stability, Partners for Prosperity, Partners for Quality of Life, and Heart-to-Heart Partners.

The 8th EAS was held in October 2013, and Japan attended it with a policy of reconfirming common principles and basic rules in the region, and with the goal of giving a powerful boost to the development of the EAS as a leaders-led forum capable of leading the way to tangible cooperation in various areas including politics and security. At the meeting, discussions took place on regional and international affairs, covering topics such as maritime safety and security, connectivity, disaster management, and low-carbon growth, as well as problems related to North Korea and the South China Sea. Japan has been working cooperatively with the rapidly growing Mekong region since 2008 on issues such as narrowing development gaps between advanced and late member countries within ASEAN, and enhancing connectivity in the Mekong region. The Fifth Mekong–Japan Summit was held in December 2013 to conduct a mid-term review of the Tokyo Strategy 2012, which was drawn up to outline the policies for Japan–Mekong cooperation for the period from 2012 through 2015, and to follow up on the Action Plan for realization of the Tokyo Strategy 2012 for Mekong– Japan Cooperation.

In addition, in view of the need to support connectivity among the Southeast Asian countries not only on land, but also at sea, Japan is consulting on ways to improve ASEAN connectivity.

Furthermore, Japan will also work with the South Asian Association for Regional Cooperation (SAARC) to strengthen intra-regional connectivity and promote people-to-people exchange.

On the occasion of his visit to Yasukuni Shrine on December 26, 2013, Prime Minister Abe issued a statement entitled "Pledge for everlasting peace" (see below), in which he expresses the following sentiments: "I have renewed my determination before the souls of the war dead to firmly uphold the pledge never to wage a war again"; "we must build an age which is free from the sufferings caused by the devastation of war"; "For 68 years after the war, Japan created a free and democratic country, and has consistently walked the path of peace. There is no doubt whatsoever that we will continue to pursue this path." The Government of Japan will continue its efforts to humbly, politely and sincerely explain the contents of that statement to the international community.

<sup>7</sup> The Five Principles of Japan's ASEAN Diplomacy are as follows:

<sup>(1)</sup>protect and promote together with ASEAN member states universal values, such as freedom, democracy and basic human rights;

<sup>(2)</sup> ensure in cooperation with ASEAN member states that the free and open seas, which are the most vital common asset, are governed by law and not by force, and to welcome the United States' rebalancing to the Asia-Pacific region;

<sup>(3)</sup> further promote trade and investment, including flows of goods, money, people and services, through various economic partnership networks, for Japan's economic revitalization and the prosperity of both Japan and ASEAN member states;

<sup>(4)</sup> protect and nurture Asia's diverse cultural heritages and traditions;

<sup>(5)</sup> promote exchanges among young people, who will be the leaders of the future, to further foster mutual understanding.

Pledge for everlasting peace

December 26, 2013

Today, I paid a visit to Yasukuni Shrine and expressed my sincere condolences, paid my respects and prayed for the souls of all those who had fought for the country and made ultimate sacrifices. I also visited Chinreisha, a remembrance memorial to pray for the souls of all the people regardless of nationalities who lost their lives in the war, but not enshrined in Yasukuni Shrine.

While praying for the souls of the war dead, the preciousness of peace Japan enjoys today really came home to me.

The peace and prosperity Japan enjoys today is not created only by those who are living today. The peace and prosperity we enjoy today is built on the precious sacrifices of numerous people who perished on the field wishing for the happiness of their loving wives and children, and thinking about their fathers and mothers who had raised them.

Today, I have contemplated on this, and paid my deepest respects and gratitudes on my visit.

Japan must never wage a war again. This is my conviction based on the severe remorse for the past. I have renewed my determination before the souls of the war dead to firmly uphold the pledge never to wage a war again.

I have also made a pledge that we must build an age which is free from the sufferings by the devastation of war; Japan must be a country which joins hands with friends in Asia and friends around the world to realize peace of the entire world.

For 68 years after the war, Japan created a free and democratic country, and consistently walked the path of peace. There is no doubt whatsoever that we will continue to pursue this path. Under the spirit of international cooperation, Japan will discharge its responsibilities for the peace, stability and prosperity of the world.

Regrettably, it is a reality that the visit to Yasukuni Shrine has become a political and diplomatic issue. Some people criticize the visit to Yasukuni as paying homage to war criminals, but the purpose of my visit today, on the anniversary of my administration's taking office, is to report before the souls of the war dead how my administration has worked for one year and to renew the pledge that Japan must never wage a war again.

It is not my intention at all to hurt the feelings of the Chinese and Korean people. It is my wish to respect each other's character, protect freedom and democracy, and build friendship with China and Korea with respect, as did all the previous Prime Ministers who visited Yasukuni Shrine.

I would like to ask for the kind understanding of all of you.

# Special<br/>FeatureThe 40th Year of ASEAN-Japan Friendship<br/>and Cooperation

#### 1. The ASEAN-Japan Commemorative Summit

The ASEAN–Japan Commemorative Summit was held on December 14, 2013. It was the first time since 2003 that Tokyo hosted a highlevel meeting of this grouping, which was attended by leaders from the 10 ASEAN member states. Because 2013 marked the 40th Year of ASEAN–Japan Friendship and Cooperation, more than 600 events were held throughout the year on themes including politics, economy, culture, youth exchange, and tourism. As the culmination of the year of events, the summit presented an opportunity to further deepen exchange between Japan and ASEAN, with a variety of programs including a gala dinner featuring percussionists from Japan and ASEAN member states and J-pop artists such as AKB48 and EXILE. Prime Minister Shinzo Abe also held bilateral meetings with each of the 10 ASEAN leaders, deepening discussions on individual issues to strengthen relations with ASEAN.



#### 2. History of the Relationship between ASEAN and Japan

The partnership between ASEAN and Japan began in 1973 with the establishment of the ASEAN-Japan forum on synthetic rubber. In 1977, then-Prime Minister Takeo Fukuda held the first ASEAN-Japan Summit during a visit to Southeast Asia, laying the foundation for the future development of the ASEAN-Japan relationship with the declaration of the "Fukuda Doctrine" outlining the principles for Japan's diplomacy toward ASEAN. Since that time, despite setbacks such as two economic and financial crises, many Japanese companies have established a presence in Southeast Asia, and trade built on strong areas of each side has expanded considerably. Since 2000 in particular, Japan and ASEAN have concluded bilateral economic partnership agreements, bilateral investment treaties, and the ASEAN-Japan Comprehensive Economic Partnership (AJCEP) agreement, and have further deepened their mutual dependence by expanding production networks across the region.



Prime Minster Abe speaking during the ASEAN-Japan Commemorative Summit (December 14, 2013, Tokyo; Source: Cabinet Public Relations Office)

#### 3. Vision Statement and the Future ASEAN-Japan Relationship

At the first ASEAN-Japan Commemorative Summit a decade earlier, Japan and ASEAN announced the "Tokyo Declaration for the Dynamic and Enduring ASEAN-Japan Partnership in the New Millennium." ASEAN began building a community, and has played a leading role in creating regional forums such as the ASEAN Regional Forum, ASEAN Plus Three, and the East Asia Summit. Through this process the ASEAN-Japan relationship became a "strategic partnership," playing a critical role for the stability and prosperity of the entire East Asia region.

During this latest ASEAN-Japan Commemorative Summit, the leaders adopted the "Vision Statement on ASEAN-Japan Friendship and Cooperation: Shared Vision, Shared Identity, Shared Future," \* and issued the "Joint Statement of the ASEAN-Japan Commemorative Summit: Hand in hand, facing regional and global challenges." \*\* The leaders expressed continued support for ASEAN's effort to establish the ASEAN community in 2015 and the intention to develop ASEAN-Japan cooperation beyond 2015, as well as reaffirmed that the scope of ASEAN-Japan cooperation extends beyond the region to encompass global challenges. We expect ASEAN and Japan to develop even closer relations in the future.



Commemorative photo of leaders attending the ASEAN–Japan Commemorative Summit (December 14, 2013, Tokyo; Source: Cabinet Public Relations Office)

- \* The Vision Statement reaffirms that ASEAN and Japan will strengthen cooperation in the following four areas of partnership:
- 1. Partners for Peace and Stability (politics and security)
- 2. Partners for Prosperity (economics and economic cooperation)
- 3. Partners for Quality of Life (new socio-economic issues)
- 4. Heart-to-Heart Partners (people-to-people exchanges)
- \*\* The Joint Statement expresses a common understanding between Japan and ASEAN of the global and regional challenges, from the standpoint of "the ASEAN-Japan relationship in the world."

## Column

## **Japanese Aid for Philippine Typhoon Victims**

Typhoon Haiyan (Yolanda), which devastated the central Philippines on November 8, 2013, was extremely powerful, categorized as a "super typhoon." Storm surges and violent winds caused considerable damage to the northern part of Leyte and southern areas of Samar. The destruction was widely reported in Japan, and for many the memories are still fresh.

Japan and the Philippines have over the years built a relationship of friendship and cooperation, and in recent years this relationship has become closer, developing into a "strategic partnership." In view of this relationship and to provide as much assistance as possible, Japan sent its largest ever disaster relief team, including around 1,200 personnel from the Japan Self-Defense Forces. We also sent emergency supplies, and provided emergency grant aid. The Philippines sent supplies and medical teams to aid Japan following the Great East Japan Earthquake, so in a sense this was a way for Japan to repay that kindness.

The medical team sent to the afflicted areas as part of the Japan Disaster Relief (JDR) treated approximately 3,300 people between November 15 and December 9, mainly in the city of Tacloban in Leyte, one of the worst-hit areas. I accompanied the first medical team. Transportation routes were



disrupted immediately after the disaster, and we carefully surveyed the security situation as we moved into the area. We were one of the first international teams to arrive, and a large number of people, mainly with external injuries, lined up outside the medical center we set up in the town square. The medical team brought x-ray devices and other types of advanced medical equipment, which were effective in the field, and in one case, helped find a foreign object stuck in a woman's leg. We also sent personnel to the regional hospital in Basey in the south of Samar for the day, providing care for local citizens. The team's efforts were highly praised by local people, and we received letters of appreciation from the doctors who had assisted at regional hospitals immediately after the disaster. Our activities attracted considerable interest within the Philippines, and as a Tagalog speaker I was interviewed by local media several times. Japan will continue to provide the Philippines with aid for recovery and restoration over the longer term.



Japan Disaster Relief (JDR) Medical Team treating patients at a clinic in Tacloban

Shigehiro Matsuda

Second Southeast Asia Division, Southeast and Southwest Asian Affairs Department (Deputy Head of First Medical Team, Japan Disaster Relief) Japan and the United States are allies sharing fundamental values and strategic interests. The Japan-U.S. Alliance is the linchpin of Japan's diplomacy and security, and plays an important role in maintaining the stability and prosperity not only of the Asia-Pacific region but also of the whole world. As the security environment in the Asia-Pacific region has become increasingly severe, the Japan-U.S. Alliance has become more important than ever. Japan welcomes the United States' rebalancing toward the Asia-Pacific, since such policy will contribute to the stability and prosperity of the region. Both countries will cooperate closely in order to play a leading role in creating order in the region.

The year 2013 saw frequent exchanges of top-level officials between the two countries, starting with the visits of Prime Minister Shinzo Abe and Minister for Foreign Affairs Fumio Kishida to the United States in February and the visits of Secretary of State John Kerry and Secretary of Defense Chuck Hagel to Tokyo to attend the historic meeting of the Japan–U.S. Security Consultative Committee meeting (2+2) in October. Through these and other opportunities, they achieved concrete results to strengthen the alliance, including progress with regard to the relocation of the Futenma air base in Okinawa and Japan's participation in the

TPP negotiations. Moreover, Japan–U.S. cooperation is not limited to the Asia–Pacific region, as the two countries are strengthening their collaboration with regard to responses to the situation in the Middle East and global issues. Furthermore, as one means of promoting people-to-people exchanges, the "Kakehashi Project—The Bridge for Tomorrow," a young exchange program, was initiated.

Japan and Canada are closely cooperating together on a wide range of fields including politics, economy, security and culture, as partners in the Asia–Pacific region, sharing fundamental values and as members of the G8.

Prime Minister Abe visited Canada in September 2013 for a Japan–Canada Summit Meeting. At this meeting the two Prime Ministers reached substantial agreement on the Japan–Canada Acquisition and Cross-Servicing Agreement and agreed to initiate consultations related to the start of daytime flights in and out of Haneda Airport. They also confirmed their intention to reinforce collaboration on issues related to the Arctic, and to promote discussions toward Japan's import of low-priced and stable supplies of LNG from Canada. Furthermore, since April, three rounds of negotiations on the Japan–Canada Economic Partnership Agreement (EPA) were held.

#### 3. Latin America and the Caribbean

Latin America and the Caribbean region is an important destination for Japanese companies seeking to expand internationally and is a key partner in building a better international community based on the rule of law. Latin America and the Caribbean has a combined GDP of US\$5.8 trillion (approximately 2.5 times larger than that of ASEAN) and an expanding consumer market with a population of approximately 600 million. The region is also a producer of mineral resources (including rare metals), energy and food, and is an important contributor to the world economy as a global center for manufacturing and export in which a significant number of Japanese companies have established operations. Moreover, the "rule of law" and democracy, firmly established in nearly all the countries of Latin America and the Caribbean, help the region show more presence in the international community.

Japan and Latin America and the Caribbean have traditionally maintained a very friendly relationship. With over 1.78 million Japanese descendants, or "Nikkeis," living in Latin America the human and historical bonds between Japan and the region run deep, while Japan has long maintained economic ties with Latin America and the Caribbean as Asia's largest investor. In 2013 this relationship was raised to new levels. From late April to early May, Minister for Foreign Affairs Fumio Kishida paid official visits to Mexico, Peru and Panama. During this trip, Minister Kishida, in his speech entitled "Embarking on A New Voyage with Latin America and the Caribbean," described the two main pillars of Japan-Latin America diplomacy: (1) establishment of a new cooperative relationship for achieving mutual development and (2) enhancement of partnership toward creating a better international community based on rules. Further, in September,

Minister Kishida visited Brazil and Argentina. In Brazil, Minister Kishida held talks with the Brazilian Foreign Minister, as well as with parliamentarians of Japanese descent, organizations of "Nikkei," and with Japanese companies operating in the country.

In terms of strengthening economic relations, Japan has been making efforts to create a better business environment for Japanese companies operating in the region through establishing legal frameworks such as EPAs and investment agreements, as well as consultations with governments of partner countries based on these frameworks.

Furthermore, Japan is promoting development assistance that employs Japanese technology, as demand for urban transport and energy-related infrastructure within the region is expected to increase as a result of the region's economic development. Japan has also been working hard on enhancing cooperative relationships with countries which are rich in those resources, in order to secure a stable supply of resources and food from the region.

With regard to increasing cooperation in the international arena, Japan has been collaborating with Latin American and Caribbean countries in addressing various issues that the international community faces, such as sustainable growth, environmental issues and climate change, nuclear disarmament and nonproliferation, as well as the United Nations Security Council (UNSC) reform. At the same time, Japan has been reinforcing cooperation and dialogue with regional organizations such as the Pacific Alliance. Japan is also working to improve cooperation and collaboration with Latin American and Caribbean countries through visits of key officials and political dialogue.

#### 4. Europe

Europe has considerable influence on international opinion, underpinned by such factors as language, cultural and artistic activities, and the powerful voice of major media, think tanks and other institutions. From an economic perspective, the European Union (EU) has a powerful presence as its GDP accounts for 23% of the world total. As members of key bodies within the international framework-including the United Nations Security Council and the Group of Eight (G8)-major European countries play an important role in the establishment of norms by the international community. Furthermore, Japan and Europe, sharing fundamental values and principles such as freedom, democracy, human rights and the rule of law, are important vital partners playing a leading role in striving for peace and prosperity of the international community. Cooperation with Europe is extremely important for Japan to promote its security policy of "Proactive Contribution to Peace" in response to the shift in the global power balance, achieve economic growth, establish international norms and tackle global issues such as disarmament and non-proliferation and counter-terrorism. In particular, in addition to maintaining bilateral relations with each European country, Japan needs to further broaden Japan-Europe relations by strengthening cooperation with European-based institutions such as the EU, the North Atlantic Treaty Organization (NATO), and the Organization for Security and Co-operation in Europe (OSCE), and European regional frameworks such as the Visegrad Group plus Japan (V4+Japan) and the Nordic-Baltic Eight plus Japan (NB8+Japan). Based on this recognition, Japan was very active in conducting diplomatic meetings at the summit level and foreign minister's level, including visits by Prime Minister Shinzo Abe to Poland, the United Kingdom and Ireland in June 2013, and a visit to Japan by French President François Hollande in the same month. Japan was also active in conducting summit meetings and foreign ministers' meetings on the sidelines of international conferences, including the G8 Summit in June, the United Nations (UN) General Assembly in September and the 11th ASEM Foreign Ministers' Meeting (ASEM FMM11) in November. Through such opportunities, Japan not only worked to strengthen diplomatic relations with Europe, but also build personal relationships of trust at the Summit and foreign minister's level.



Their Imperial Highnesses the Crown Prince and Crown Princess arriving at the investiture ceremony of His Majesty King Willem-Alexander of the Netherlands (April 30, 2013, Amsterdam, Netherlands; Source: AFP-Jiji)

With regard to Japan's relationship with Europe, negotiations on a Japan-EU Economic Partnership Agreement (EPA) and on a Strategic Partnership Agreement (SPA) were launched in April 2013. These negotiations have been producing fruitful discussions in a wide range of fields. In November 2013, the 21st Japan-EU Summit Meeting was held in Tokyo after a hiatus of about two-and-a-half years, and the leaders of Japan and the EU agreed to promote cooperation in the fields of economy, security and global interest. In particular, the industrial sectors in Japan and the EU have expressed high expectations regarding the Japan– EU EPA as an effort that will contribute to economic growth in both Japan and the EU. In addition, Japan pursued a broad array of exchanges with countries throughout Europe in such fields as education, culture, and science and technology. By advancing concrete cooperation with Europe, Japan is striving to maintain a multi-layered, close relationship including through promotion of mutual understanding.

#### 5. Russia, Central Asia and the Caucasus

Given the rapidly changing strategic environment of the Asia–Pacific region, promoting cooperation with Russia in every related field and elevating overall Japan– Russia relations contributes not only to Japan's national interest but also contributes to peace and prosperity in the region. With such understanding, proactive dialogues at various levels were held in 2013, including four summit meetings between Prime Minister Shinzo Abe and President Vladimir Putin and two Foreign Ministers' Meetings.

During Prime Minister Abe's visit to Russia in April, the two leaders agreed to accelerate talks in order to find a mutually acceptable solution regarding the issue of concluding a peace treaty. Moreover, Prime Minister Abe was accompanied by an economic mission consisting of 120 business people, and the two leaders determined to promote cooperation including new fields. They also concurred in holding the Year of Japan-Russia Martial Arts Exchanges in 2014. This visit added a new impetus to Japan-Russia relations, and set a new direction for long-term relationships.

In November, the first Japan-Russia Joint Foreign

and Defense Ministerial Consultations (2+2) was held, and foreign and defense ministers exchanged views on the security and defense policies of both countries, and security cooperation.

The Northern Territories Issue is the most significant challenge between Japan and Russia. Based on the agreement above between Prime Minister Abe and President Putin, vice-ministerial level talks held in August reopened the negotiations, but there remains a wide gap in the basic position of both countries. Through promoting cooperation in every related field including security, economy and people-to-people exchange, Japan has determined to patiently tackle the negotiations with Russia with a view to resolving the Northern Territories Issue, and concluding a peace treaty.

Countries in Central Asia and the Caucasus are situated in a strategic geopolitical location that bridges Asia, Europe, Russia and the Middle East, and have abundant natural resources such as oil, natural gas and minerals. This region is also becoming increasingly important in the context of efforts to address a number of issues facing the international community, such as the stabilization of Afghanistan, the fight against terrorism, measures to counter illicit drugs, and prevention of the proliferation of weapons.

Japan is working to further strengthen bilateral relationships with these countries through frequent visits involving a variety of high-level officials, and will continue to promote regional cooperation in Central

### 6. The Middle East and North Africa

The Middle East and North African region (hereafter referred to as the "Middle East region") is situated in a geopolitically important location at the intersection of Europe, Sub-Saharan Africa, Central Asia and South Asia. This region contains a major international maritime route for international commerce, and is also an important supplier of energy resources, including oil and natural gas, to the rest of the world. On the other hand, this area is facing a number of challenges that destabilize the region, such as the situation in Syria, the Iranian nuclear issue, the Middle East Peace Process, and security and reconstruction in Iraq and Afghanistan. Addressing these challenges is of great importance not only for the peace and stability of the region, but also for Japan, which imports more than 80% of its crude oil from the region, and also for the international community as a whole.

For Japan, it is important to turn its relationship with the Middle East, which has conventionally been centered on resources and energy, into a more multi-layered relationship that encompasses wide-ranging economic cooperation, politics and security, as well as culture and people-to-people exchanges. With this objective in mind, Prime Minister Shinzo Abe announced on the occasion of his visit to Saudi Arabia in May 2013 that Japan would fundamentally strengthen the relationship between Japan and the Middle East through building a "Comprehensive Partnership toward Stability and Prosperity."

With regard to the situation in Syria, a matter of longstanding concern to the international community, Japan joined together with the rest of the world to call upon the parties involved to cease all violence. In addition, Prime Minister Abe announced in a speech to the United Nations General Assembly in September that Japan would spend an additional US\$60 million in Asia utilizing the framework of the "Central Asia plus Japan" Dialogue. Keeping in mind that 2014 will mark the tenth anniversary of the initiation of this Dialogue, views were exchanged during 2013 in a wide variety of formats with regard to how best to promote regional cooperation.

humanitarian aid for refugees and internally displaced persons. As for the Middle East Peace Process, Minister for Foreign Affairs Fumio Kishida traveled to Israel, Palestine and Jordan in July and met with the leaders of each country/region to encourage them to achieve peace, and a ministerial meeting attended by the four foreign ministers was held to advance Japan's initiative of "Corridor for Peace and Prosperity." In November, significant progress was made with regard to the Iranian nuclear issue through the agreement reached at the EU3+3<sup>8</sup> meetings. Pursuing the matter from a Japanese standpoint, the Prime Minister's Special Envoy, Mr. Masahiko Koumura, and Foreign Minister Kishida visited Iran and called upon Iran to be flexible in its approach to the negotiations about its nuclear issue.

More recently, the Middle East region has been achieving stable economic development that is attributed to the rapidly growing young population, and is increasing its international appeal as a consumer market and an investment destination. Therefore, Japan has been developing legal frameworks such as EPAs, FTAs, investment agreements and tax treaties which will become the foundation for strengthening its economic and business relationships with the countries in the region, and has been promoting infrastructure projects in the region. Prime Minister Abe paid three visits to countries in the Middle East during 2013-in May, August and October-and during each of these visits he was accompanied by an economic delegation representing Japan's business community. This economic delegation was able to make appeals to the high-ranking officials in these countries regarding Japan's strengths in a wide range of fields including energy, infrastructure development, health and medicine, and cutting-edge technologies.

<sup>&</sup>lt;sup>8</sup> Refers to a framework for dialogue regarding Iranian nuclear issue that includes the EU3 (the United Kingdom and France, permanent members of the UN Security Council, as well as Germany), along with three other permanent members of the UN Security Council, the United States, China and Russia.

## 7. Sub-Saharan Africa

Africa, with its abundance of natural resources and population of one billion, has enjoyed high annual growth rates averaging approximately 6% throughout the 2000s. At the same time, finding solutions to the problems facing Africa, such as poverty, inequality, and conflicts, is a matter of great concern to the international community.

Against this background, Africa is becoming increasingly important to Japan from a foreign policy viewpoint for the following reasons: (1) expansion of trade and investment between Japan and Africa, which has great potential as an import source, manufacturing center, and consumer market, can help Japan to revitalize its own economy; (2) contribution to finding solutions to poverty, inequality, conflicts and terrorism in Africa will help Japan earn the trust and respect of the international community; (3) strengthening relations with Africa, whose influence is increasing within the international community, will enhance Japan's ability to gain support in the international arena.

Given the importance to Japan of diplomatic relations with Africa, Prime Minister Shinzo Abe actively exchanged visits with African leaders from 2013 through the beginning of 2014. In June 2013, 39 African heads of state and government came to Japan to attend the Fifth Tokyo International Conference on African Development (TICAD V). At this conference, which discussed the importance of economic growth led by the private sector, Prime Minister Abe announced support measures through public and private funds totaling up to 3.2 trillion yen (including 1.4 trillion yen in official development assistance), and declared that Japan would contribute to the realization of "Quality Growth" in Africa, encompassing fields such as development, peace and stability. In January 2014, Prime Minister Abe paid a visit to Africa (Côte d'Ivoire, Mozambique, and Ethiopia), marking the first time in eight years that a sitting Japanese Prime Minister had visited that continent. In

Côte d'Ivoire, the leaders of 13 countries, including 10 neighboring countries, gathered to strengthen mutual trust with Japan. Further, in Ethiopia Prime Minister Abe made a policy speech in which he appealed to Africa to choose Japan as its true partner, and explained the virtues of Japanese aid and investment. In addition, representatives from a total of 33 private companies also accompanied the Prime Minister, and in each country they visited they had the opportunity to introduce their respective companies and products with the aim of strengthening business relations with Africa. Prime Minister Abe also explained the content of Japan's policy of its "Proactive Contribution to Peace." through which Japan will contribute more actively than ever before to the promotion of peace and stability at a regional and global level. In this regard, Prime Minister Abe announced that Japan was prepared to implement assistance of approximately 320 million US dollars in order to respond to conflicts and disasters in Africa.

Among other measures taken in 2013 should be mentioned the dispatch of a delegation of government and private-sector representatives to the Republic of Congo, Gabon, and Côte d'Ivoire to promote trade and investment (November and December 2013), the assistance (year round) to African PKO training centers to help promote peace and stability, and the establishment of an embassy in South Sudan (July) to reinforce ties with Africa.

Unfortunately, 2013 was also the year in which the world lost (on December 5) a great man of Africa, former president of South Africa Nelson Mandela, who had devoted his life to the realization of universal values such as freedom and equality. His Imperial Highness the Crown Prince of Japan, as well as former Prime Minister Yasuo Fukuda (as Special Envoy), attended the funeral ceremony held in Johannesburg on December 10 to express their condolences on the loss of the former president.

## Special<br/>FeatureThe Fifth Tokyo International Conference on<br/>African Development (TICAD V)

#### 1. Overview of TICAD V and the Outcome

The Fifth Tokyo International Conference on African Development (TICAD V) was held in Yokohama on June 1–3, 2013. The conference ended as one of the largest summit meetings ever held in Japan with the participants totaling more than 4,500, including Prime Minister Shinzo Abe, Minister for Foreign Affairs Fumio Kishida, as well as representatives from 51 African countries including 39 heads of state and government, delegates from 31 development partner countries and Asian nations, 72 international and regional organizations, the private sector, NGOs and civil society. In addition, a variety of side events were held with much attendance from the public.

TICAD V upheld the core message of "Hand in Hand with a More Dynamic Africa." Under the concept, active discussions were conducted on the future of African development, centering on the main themes of TICAD V, namely "Robust and Sustainable Economy," "Inclusive and Resilient Society," and "Peace and Stability."

In his keynote speech, Prime Minister Abe announced the basic policy of Japan on assistance to Africa, along with an assistance package comprising up to approximately 3.2 trillion yen (32 billion USD) in public-private initiatives, including approximately 1.4 trillion yen (14 billion USD) in official development assistance; capacity building for business and industry, including through "African Business Education (ABE) Initiative"; and development and humanitarian assistance to the Sahel region. In addition, TICAD V adopted two outcome documents, namely, "Yokohama Declaration 2013," presenting a future direction for African development, and "Yokohama Action Plan 2013-2017," a road map for the TICAD Process over the next five years with specific measures.



Prime Minister Abe (center) with world leaders (June 1, 2014, Yokohama; Source: Cabinet Public Relations Office)

#### 2. Relationship with Africa after TICAD V

Since TICAD V, Japan has actively deployed its diplomacy toward Africa in order to maintain the momentum and to steadily implement its pledges. For example, the Japan-African Regional Economic Communities (RECs) Summit Roundtable was held in New York on the margins of the UN General Assembly on September 26, 2013, chaired by Prime Minister Abe. In the roundtable, participants exchanged views on agricultural development and food security. In addition, from November 24 to December 5, 2013, Japan dispatched a Public and Private Sector Joint Mission for Promoting Trade and Investment for Africa to the Republic of the Congo, the Gabonese Republic, and Côte d'Ivoire. Thus, Japan hopes to further develop its relations with Africa through such follow-up measures to TICAD V. Furthermore, Prime Minister Abe visited three African countries in January 2014, fulfilling his promise at TICAD V to visit Africa in the near future.