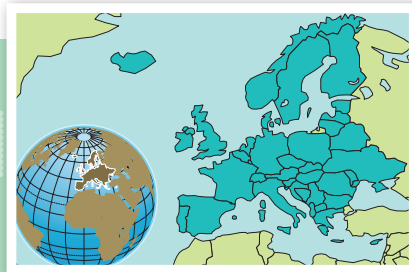


Section 4

Europe



Overview

(Withdrawal of the United Kingdom from the European Union and the Importance of Europe)

In Europe, the 28 member states of the European Union (EU) tend to adopt common policies in a variety of areas including foreign policy and security, the economy, and finances, and Europe has considerable influence on international public opinion, underpinned by such factors as language, history, culture and art, and the presence of major media and think tanks. In addition, Europe has a large economic presence, with the combined GDP of the 28 member states of the EU accounting for about 22% of the world. Furthermore, Europe includes permanent members of the UN Security Council and countries which are members of key international frameworks, such as the G7, so it plays an important role in establishing norms in the international community. The result of the referendum in June 2016 on the withdrawal of the UK from the EU caused a major shock and tough withdrawal negotiations are expected, while the importance of Europe described above will not significantly change even after the withdrawal of the UK from the EU.

Japan and Europe share fundamental values and principles such as freedom, democracy, human rights, and the rule of law. They will continue to deepen their cooperative relations based on their deep commitment to a free and open international order.

Furthermore, in addition to maintaining bilateral relations with each European country, it is important that Japan further broadens Japan-Europe relations as a whole by strengthening cooperation with European regional institutions such as the EU, the North Atlantic Treaty Organization (NATO), and the Organization for Security and Co-operation in Europe (OSCE), by further strengthening relations between democratic states in Asia and Europe through the Asia-Europe Meeting (ASEM), and by promoting collaboration with European regional frameworks, such as the Visegrad Group plus Japan (V4 Czech Republic, Hungary, Poland, and Slovakia +Japan), the Nordic- Baltic Eight plus Japan (NB8+Japan) and GUAM countries plus Japan (GUAM Georgia, Ukraine, Azerbaijan, and Moldova+Japan).

(Issues Faced by Europe)

Although the economy is gradually

recovering, Europe continues to face challenges including the debt problem and high unemployment rate in the southern European countries. It is also facing various challenges including the influx of large numbers of migrants and refugees mainly from the Middle East and African region, a large number of terrorist attacks, and the growth of hybrid threats combining multiple techniques including cyber-attacks. Against the backdrop of dissatisfaction over these challenges, there is a trend of increasing support for political groups which repudiate the existing politics in countries throughout Europe.

In response to the aforementioned various challenges, the European countries, the EU, and NATO are strengthening cooperation in the areas of immigration, counterterrorism, and security, and endeavoring to maintain and promote the alliance with the United States and European integration. Furthermore, the EU has formulated a global strategy for foreign and security policy for the first time in approximately ten years. As such, Europe endeavors to actively respond to threats outside Europe, particularly in the surrounding region. 2017 is an important year for forecasting the future direction of Europe because national elections including the general election in the Netherlands, the presidential election in France, the federal elections in Germany, etc., are being held in European countries.

(Handling the Large-Scale Influx of Refugees)

The large-scale influx of refugees in Europe is one of the major difficulties currently faced by the EU. Following on from 2015 when approximately 1,256,000 refugees (the number of refugees who sought asylum to EU member states) came

into Europe, the influx of refugees continued in 2016. However, in March the EU and Turkey reached an agreement which includes a provision: Migrants crossing from Turkey into Greece will be returned to Turkey. As a result the influx of refugees into Europe dramatically decreased in 2016 to approximately 364,000. However, challenges still remain such as the continued influx of refugees from African countries, via the Central Mediterranean route, strengthened border control by the EU, fair share of the refugee burden within the EU, and the maintenance of the agreement between the EU and Turkey.

(The Threat of Terrorism)

In conjunction with measures for handling refugees, counterterrorism is also an urgent issue in Europe. Following the coordinated terrorist attacks in Paris in November 2015, a series of terrorist incidents occurred throughout Europe in 2016, with the Islamic State of Iraq and the Levant (ISIL) claiming responsibility. These included the terrorist attacks in Brussels and Charleroi (Belgium), Nice and Rouen (France), and in southern Germany and Berlin. Strengthening more effective counterterrorism at the European level is an urgent issue.

(Withdrawal of the UK from the European Union)

In the referendum held in the UK in June, 52% of the voters supported UK's withdrawal from the EU. Notification of withdrawal is expected to be given by the UK by the end of March 2017. European integration which had continued expanding and deepening since the end of the second world war faced the situation of a member state withdrawing from the EU for the first time. Now, attention is focused on the withdrawal negotiations that will take place

between the UK and the EU after the UK has given notification of withdrawal to the EU, as well as on the new relations between the UK and the EU after withdrawal. It is expected that even after the withdrawal of the UK from the EU, Europe, including the UK, will continue to be united and actively contribute to the peace, stability, and prosperity of the international community (see 2-4-1 (1) and 2-4-1 (2)).

(Diplomatic Relations with Europe)

In 2016, Japan's European diplomacy made progress. Early in May, Prime Minister Abe visited Italy, France, Belgium, Germany and the UK in order to coordinate with leaders of each country and the EU in advance of the G7 Ise-Shima Summit and to strengthen bilateral relations, including cooperation regarding the 150th anniversary of the establishment of diplomatic relations with Italy and Belgium. Furthermore, he took the opportunities of the G7 Ise-Shima Summit at the end of May, the Asia-Europe Meeting (ASEM) Summit Meeting in the middle of July (in Mongolia), and the High-level Week of the United Nations General Assembly in September (in New York, U.S.), to hold meetings with the leaders of European countries/organizations. Early in January Foreign Minister Kishida, together with Minister of Defense Gen Nakatani, held the Second Japan-UK Foreign and Defence Ministers' Meeting ("2+2") with Secretary of State for Foreign and Commonwealth Affairs Philip Hammond and Secretary of State for Defence Michael Fallon, when they visited Japan. Furthermore, in the middle of March, Foreign Minister Kishida visited Italy, Vatican and France, and held foreign ministers' meetings.

Through these opportunities, relationships



Parliamentary Vice-Minister for Foreign Affairs Miki Yamada surrounded by university students who came to Japan under the MIRAI Program (December 21, 2015, Tokyo).

between the leaders and foreign ministers were strengthened, and understanding from European countries and institutions on Japan's stance and efforts was enhanced in areas such as security, economy, regional situations, and global issues. Furthermore, concrete cooperation between Japan and Europe was advanced. For instance, on the security front, concrete cooperation in the security and defense area progressed with the UK, France, and Italy. Japan also shared the view with NATO and the EU to continue close cooperation.

In addition, the Government of Japan is actively implementing projects related to public diplomacy and human and intellectual exchanges, including the "MIRAI Program," which invites students from Europe, etc., the holding of seminars in cooperation with major think tanks in Europe, and the dispatch of lecturers. Through these initiatives, Japan is pursuing a broad range of cooperative activities with EU countries and institutions in such fields as politics, security, the economy, education, culture, as well as science and technology with a view to maintaining a close and multi-layered relationship through communication about Japan and Asia and promotion of mutual understanding.

1 Regional Situation

(1) European Union (EU)

The EU is a political and economic entity consisting of 28 member states with a total population of about 510 million that generates about 22% of the world's GDP. Sharing basic values and principles, the EU is an important partner for Japan in addressing global issues.

〈Recent Development of the EU〉

Following on from the previous year, Europe was under pressure to respond to various challenges including the influx of refugees and frequent terrorist attacks. In this context, the EU faced the situation of the withdrawal of a member state for the first time in the history of European integration as a result of the referendum by the UK in June. The 27 EU countries, excluding the UK, held informal summit meetings in June, September and December to discuss the procedures and structures on the EU side pertaining to the withdrawal negotiations, and clarified their position that it would be necessary to accept all of “the four freedoms” of labor, goods, capital, and services in order for the UK to have access to the single market after withdrawal, and they would not recognize an “à la carte” approach.

Furthermore, taking into account the fact that skepticism of the EU is growing in each member state, the EU urgently needed to present measures for effectively responding to the refugee issue. In addition to the EU-Turkey agreement in March, the leaders of the 27 EU countries adopted the Bratislava Declaration and Roadmap in September in Bratislava (Slovakia), stating goals and specific measures related

to the response to the refugees. Moreover, the EU presented a rapid-fire series of responses including stronger cooperation with Turkey and the African countries, establishment of the European Border and Coast Guard staffed with approximately 1,500 border guards, encouragement of the relocation of refugees within the EU, and the establishment of central processing facilities to accelerate the procedures for refugees to seek asylum.

In the security area, a few days after the decision by the UK to withdraw from the EU in June, the EU Global Strategy for Foreign and Security Policy was announced due to an initiative of the High Representative of the Union for Foreign Affairs and Security Policy, Federica Mogherini. It emphasized the unity of Europe and clarified again its stance of actively contributing to the various issues faced by the international community as a global player. In October, the EU Foreign Affairs Council clearly stated that this strategy would lead the foreign policy of the EU over the next few years and stipulated the priority areas when implementing the strategy. Since then, the Council has been working on strengthening defense cooperation and EU-NATO cooperation.

Moreover, the EU and the European countries worked on the improvement of the situations in Syria and Libya, which are one of the factors of the influx of migrants and refugees into Europe, and strengthened their measures to combat terrorism in Europe by the Islamic State of Iraq and the Levant (ISIL). Furthermore, regarding the Ukraine issue, they worked on improving the situation by urging the parties to implement the Minsk agreements.

The EU showed a stance of greater

involvement in Asia as well. The aforementioned EU Global Strategy clearly states that the EU will increase its involvement in Asia, not only in the area of economy but also on the security front, and taking into account the increasingly tense situation in the South China Sea, High Representative Mogherini, as the representative of the 28 EU member states, issued declarations emphasizing the importance of the rule of law at sea two times, in March and July.

Regarding the economy, the moderate recovery continued in the Eurozone, though it lacked strength overall. Furthermore, the high unemployment rate and vulnerability of the financial condition of some financial institutions in the southern European countries have been indicated. It was, as such, a year that faced a variety of risks, though it did not reach a critical situation.

〈Japan-EU Relations〉

In 2016, the bonds of trust among the leaders were further strengthened and, following on from the previous year, there were major developments toward strengthening Japan-EU relations in a comprehensive manner. In May, Prime Minister Abe, who was visiting Brussels, held the Japan-EU Leaders Meeting with President of the European Council, Donald Tusk and President of the European Commission, Jean-Claude Juncker. Furthermore, in July at the time of the ASEM Summit Meeting held in Ulaanbaatar (Mongolia), a Leaders Meeting was held for the second time in the year. At this meeting, in response to the result of the EU referendum in the UK in June, Prime Minister Abe requested the EU and the UK coordinate to clarify the prospect for their future negotiations in

order to dispel the sense of uncertainty and enhance predictability. Furthermore, both leaders agreed to aim for early agreement in principle on the Japan-EU Economic Partnership Agreement (EPA) and the Japan-EU Strategic Partnership Agreement (SPA).

Regarding the economy, strong commitment at the leader's level toward the conclusion of a Japan-EU EPA was reaffirmed at the Japan-EU leaders meetings held in May and July, and in the joint statement issued on the occasion of the G7 Ise-Shima Summit in May. A total of 17 rounds of negotiations were held between Japan and the EU by December 2016. Discussions were held on a wide range of areas including trade in goods, trade in services, intellectual property rights, non-tariff measures, government procurement, investment, and other issues (see 3-3-1 (1) for the details).

(2) United Kingdom

The EU referendum promised by Prime Minister David Cameron in May 2015, General Election was held on June 23, 2016. The Prime Minister called for the UK to remain in the EU, but the result of the referendum was that support for withdrawal was in the majority (withdraw 51.9%, remain 48.1%). It has been pointed out that the background to this was that there was dissatisfaction with the increase in EU-level regulations which the UK Parliament could not be involved in decision making, and dissatisfaction among the citizens of the UK, in particular, the middle class, with the increase in migrants from central and eastern European countries as a result of the expansion of the EU. In response to this result, Prime Minister Cameron resigned,

and after that, election for the leader of the Conservative Party, Home Secretary Theresa May became Prime Minister on July 13. The UK Government plans to give formal notification of its intention to withdraw to the EU by the end of March 2017, and negotiations will commence to conclude an agreement stipulating the arrangements regarding the withdrawal of the UK, in principle within two years of the notification. Japan is closely monitoring what kinds of relations will be built regarding points such as regulations on migrants and access to the single market, and will convey the position of Japan at the right times (see 3-3-2 (4)). In January 2017, the UK Supreme Court ruled that the act of Parliament authorizing the withdrawal was necessary for giving the notification of withdrawal to the EU and as a consequence, the Government of the UK submitted the European Union (Notification of Withdrawal) Bill to parliament on February 2. Furthermore, Prime Minister May gave a speech on January 17 about the direction of the UK's withdrawal from the EU and emphasized that the UK would continue to promote free trade and actively play a global role.

Japan and the UK have been strengthening bilateral ties through policy coordination and exchanges at various levels including the prime ministers and foreign ministers. Prime Minister Abe visited the UK in May and held a Summit Meeting with Prime Minister Cameron at the UK Prime Minister's office and the official country residence of the UK Prime Minister (Chequers) and received an audience with Her Majesty Queen Elizabeth II. Furthermore, the two leaders also held a Summit Meeting when Prime Minister Cameron visited Japan on

the occasion of the G7 Ise-Shima Summit in May. Also with Prime Minister May, who had taken office later, Prime Minister Abe held a brush-by meeting at the G20 Hangzhou Summit (in China) and a Summit Meeting on the occasion of the United Nations General Assembly in September. Foreign Minister Kishida and UK Foreign Secretary Hammond held a foreign ministers' meeting on the occasion of the G7 Hiroshima Foreign Ministers' Meeting and held the 5th Japan-UK Foreign Ministers' Strategic Dialogue in January 2016. In July, former Mayor of London Boris Johnson was appointed as Secretary of State for Foreign and Commonwealth Affairs in the new May cabinet, and a Foreign Ministers' Meeting was held on the occasion of the UN General Assembly in September.

In recent years, security and defense cooperation has been advanced between Japan and the UK. At the Second Japan-UK Foreign and Defence Ministers' Meeting ("2+2") held in Tokyo in January 2016, the ministers confirmed promotion of security and defense cooperation in a wide range of areas and shared their recognition regarding regional situations around the world. In October and November, a Royal Air Force Unit including Typhoon fighters visited Japan from the UK and conducted a joint exercise with the Japan Air Self-Defense Force out of Misawa Air Base. This was the first joint exercise that the Japanese Air Self-Defense Force had conducted with a country other than the U.S. inside Japan. Furthermore, in response to the agreement of the Second "2+2", cooperation in assistance for capacity building of Southeast Asian and African countries progressed. They include a humanitarian assistance/disaster relief seminar for ASEAN countries

co-hosted by Japan and the UK (January, in the Philippines), collaboration to clear landmines in Angola (August), and collaboration to assist for enhancement of border control capabilities of an airport in Tunisia (September). Moreover, in January 2017 in London Foreign Secretary Johnson and Japan's Ambassador to the UK, Koji Tsuruoka, signed the Japan-UK Acquisition and Cross-Servicing Agreement (Japan-UK ACSA).

(3) France

With regard to domestic affairs, improvement of the unemployment rate in excess of 10% is the most important challenge for the Hollande administration, and in August, a law revising the labor laws aimed at reforming the rigid labor market was passed regardless of large-scale protests by the public. Regarding counterterrorism, in response to the series of terrorist attacks in Paris in November 2015, the government strengthened its measures to combat terrorism by issuing a declaration of a state of emergency and currently that declaration has been extended to July 2017. However, together with measures for the refugees coming in from the Middle East, North Africa, etc., counterterrorism still remains an important issue. For example, a terrorist attack that resulted in 85 deaths occurred in Nice in southern France in July. Furthermore, in the lead-up to the presidential election held in April and May 2017, both the left-wing and the right-wing are strengthening their election campaigns. In November, a primary election was held by the Republicans, the largest opposition party, and former Prime Minister François Fillon was elected as their candidate, while in the ruling Socialist Party, President

Hollande announced in December that he would not run in the next presidential election. Prime Minister Manuel Valls announced his candidacy and resigned as prime minister. As a consequence, a new cabinet was inaugurated in December led by former Minister of the Interior Bernard Cazeneuve.

On the diplomatic front, France has played a leading role in the international community regarding the Middle East issue. For example, it hosted a ministerial meeting on peace in the Middle East in June and co-hosted a ministerial meeting with Iraq aimed at the stabilization of Mosul (Iraq) in October.

As for its relations with Japan, when Foreign Minister Kishida visited France in March, he had a meeting with the Minister of Foreign Affairs and International Development, Jean-Marc Ayrault, and they confirmed cooperation toward the G7 Hiroshima Foreign Ministers' Meeting in April. When Foreign Minister Ayrault visited Japan to attend this meeting, a bilateral meeting was also held and the Ministers issued a joint press release on Japan-France cooperation in Africa. In May when Prime Minister Abe visited France, a summit meeting was held with President Hollande and they confirmed cooperation toward the success of the G7 Ise-Shima Summit, and they agreed to hold "Japonismes 2018" in France in 2018, which collects together and presents the stylishness of Japanese culture on a large scale.

In addition, at the 6th Tokyo International Conference on African Development (TICAD VI) held in Kenya in August, the "Japan-France Partnership for Africa" was held, the first official side event co-hosted by Japan and France. Furthermore,

cooperation is progressing in the security and defense cooperation area as well. At the Third Japan-France Foreign and Defense Ministers' Meeting ("2+2") held in Paris in January 2017, the Ministers agreed to start negotiations for an Acquisition and Cross Servicing Agreement (ACSA), and confirmed they would materialize the first collaboration project between Japan and France under the Agreement concerning the Transfer of Defense Equipment and Technology that entered into force in December. Furthermore, they agreed to closely cooperate to secure a free and open Indo-Pacific region.

(4) Germany

In Germany, the number of migrants and refugees coming into the country has rapidly increased since 2015 and, in response, concerns and unease about the worsening of public safety have spread among the citizens. Support for Federal Chancellor Angela Merkel fell partly because she refused to set an upper limit on the number of refugees accepted. Since the spring of 2016, the number of refugees coming into the country has dramatically fallen due to the strengthening of border control and the agreement between the EU and Turkey, etc., and the pressure on Chancellor Merkel weakened temporarily. However, criticisms flared up again after a series of terrorist attacks in southern Germany in July were committed by people with migrant or refugee backgrounds.

In late November, Chancellor Merkel announced she would stand again as a candidate for chancellor in the federal elections in autumn 2017 on the grounds that her experience and competence was required at a time of uncertainty and

instability. Approximately a month after that, in late December a terrorist incident occurred in Berlin in which a Tunisian man whose application for refugee status had been rejected drove a truck into the Christmas Market, killing and injuring many people. Under this situation, concerns regarding public safety measures and refugee policy have been growing in Germany again.

In this context while the Christian Democratic Union (CDU), the ruling party led by Chancellor Merkel, suffered defeats in five elections for state legislatures held from spring to autumn 2016, Alternative für Deutschland (AfD), a political party criticizing the refugee policy of Chancellor Merkel, made great advances. As of the end of 2016 AfD held parliamentary seats in 10 of the 16 states in Germany.

Regarding the economy, Germany maintained solid growth even in the context of the feeling of uncertainty about the future caused by the issue of the withdrawal of the UK from the EU. The federal government forecast that the real GDP growth rate for 2016 would be 1.8%, and stated that the reasons for the comparatively strong growth were the increase in government spending due to measures to handle the large influx of refugees, low oil prices, and the depreciation of the Euro. Furthermore, the labor market is also expanding, the number of unemployed people fell for 36 consecutive months, and the unemployment rate maintained the historically low figure of 5.8% (as of December 2016).

Regarding diplomacy, the international situation is undergoing large changes, and the leaders of the countries, including the major EU countries, are being replaced. In this context the status and presence of

Other European Regions

Japan places importance on the cooperative relationship with the Visegrad Group (V4), which is a regional cooperative framework established by four countries—Czech Republic, Hungary, Poland, and Slovakia—that share the fundamental values of democracy and the rule of law. Through the "V4 + Japan" seminar held in February, and the "V4 + Japan" policy dialogue held in May, further progress was observed in the cooperation between Japan and V4.

Czech Republic: In January 2017, Foreign Minister Kishida took the opportunity of the 60th anniversary of the restoration of diplomatic relations between the two countries to visit the Czech Republic. During the visit, a foreign ministers' meeting was held, and the two ministers affirmed further strengthening of bilateral relations as well as cooperation in the international arena. In the same month, the governments of the two countries reached the agreement in principle on the working holiday agreement. In February the same year, they signed the protocol amending the social security agreement.

Slovakia: State Minister for Foreign Affairs Muto visited Slovakia in April, while Minister of Foreign and European Affairs Lajčák visited Japan in May. The two countries celebrated the inauguration of the working holiday scheme from June and concurred on strengthening not only bilateral cooperation but also cooperation in the international arena. In October, a Keidanren Mission visited Slovakia, contributing to the deepening of economic exchange. During the same month, the two countries reached the agreement in principle on the social security agreement negotiations and signed the same agreement in January 2017.

Visegrad Group (V4)

[Benelux countries]

Netherlands: Japan and the Netherlands have made steady progress in cooperation in various areas based on the "Joint Statement on the Establishment of a Strategic Partnership for Sustainable Peace and Prosperity" announced in November 2015. During the visit to Japan by Minister of Health, Welfare and Sport Schippers in October, the two countries signed a memorandum of cooperation on sports cooperation. In December, during the visit to Japan by Minister of Defense Hennis-Plasschaert and Secretary-General of the Ministry of Economic Affairs Camps, the two countries signed a memorandum of cooperation in the respective areas of defense cooperation and exchange as well as agriculture.

Belgium: The year 2016 marked the 150th anniversary of the establishment of diplomatic relations between Japan and Belgium, and many commemorative events were organized to celebrate the 150 years of friendship between Japan and Belgium. State Minister for Foreign Affairs Muto visited Brussels in January to attend the opening ceremony in Belgium. In May, Prime Minister Abe visited Belgium and held a summit meeting with Prime Charles Michel. The two countries concurred on holding a bilateral consultation on terrorism in light of the terrorist attack that occurred in Brussels in March, and this consultation was held in November in Brussels. In October, Honorary President of the 150th anniversary on the Belgium side, His Majesty King Philippe and Her Majesty Queen Mathilde, visited Japan on a state visit. Through visits to Yuki city in Ibaraki Prefecture and a banquet hosted by Prime Minister Abe and Mrs. Abe, the friendly ties between the two countries were strengthened.

Luxembourg: In September, the Japan-Luxembourg Parliamentary Friendship League, led by its president Yoshimasa Hayashi, member of the House of Councilors visited Luxembourg. During the visit, they engaged in dialogues with President of the Chamber of Deputies Di Bartolomeo and Prime Minister Bettel, among others.

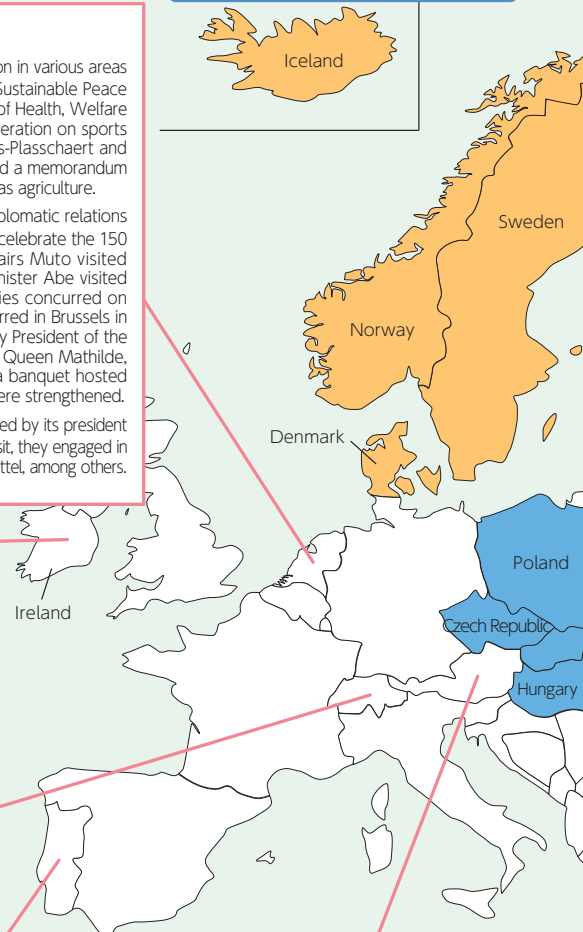
Ireland: The year 2017 is the year commemorating the 60th anniversary of the establishment of diplomatic relations between Japan and Ireland. In January 2017, Foreign Minister Kishida visited Ireland for the first time in 26 years as the sitting foreign minister. During the visit, he attended the opening ceremony of the 60th anniversary celebrations hosted by Flanagan, Minister for Foreign Affairs and Trade, and participated in a grand celebration of the launch of the 60th anniversary commemorations together with the Irish side. Foreign Minister Kishida also held a Foreign Ministers' Meeting with Minister Flanagan and paid a courtesy call on Prime Minister Kenny.

Switzerland: The third meeting of the Joint Committee under the Japan-Switzerland EPA was held in October in Tokyo, where views were exchanged on economic relations between Japan and Switzerland as well as the implementation status of the EPA.

Portugal: Minister of Planning and Infrastructure Marques, and Secretary of State of Internationalization Oliveira, visited Japan in July as the first ministerial-level visit to Japan under the Costa Administration led by the Socialist Party, which came into power in November 2015.

Comunidade dos Países de Língua Portuguesa (Community of Portuguese Language Countries, CPLP): In December, a commission of authority was presented to the secretariat of the CPLP in Lisbon for the appointment of the Ambassador of Japan to Portugal as the Permanent Representative.

Austria: The working holiday scheme came into effect in July. In October, the 20th Japan-Austria Committee for Issues of the Future was held in Vienna. In December, a re-vote for the presidential election was held, and Van der Bellen, the candidate supported by the Greens, took victory over the Freedom Party Candidate Hofer.



Nordic-Baltic Eight (NB8) + Japan

Japan is promoting cooperation in such areas as women's empowerment and innovation under the "NB8 + Japan" framework, with the aim of strengthening cooperation with the Nordic and Baltic countries.

Nordic-Baltic 8 (NB8)

[Nordic Countries]

Sweden: In February, His Majesty King Carl XVI Gustaf of the Kingdom of Sweden visited Japan with the Royal Swedish Academy of Engineering Sciences.

Denmark: In March, Speaker of the Danish Parliament Kjaersgaard paid a courtesy call on Prime Minister Abe. The year 2017 marks the 150th anniversary of the establishment of diplomatic relations between Japan and Denmark, and celebratory events will be held during the year in commemoration of the 150th Anniversary of Japan-Denmark Diplomatic Relations. In January 2017, State Minister for Foreign Affairs Kishi visited Denmark and attended the opening ceremony of the 150th anniversary celebrations. He also paid a courtesy call on Foreign Minister Samuelsen.

Norway: In March, President of the Storting (parliament) Thommessen visited Japan and paid a courtesy call on Prime Minister Abe. In October, Foreign Minister Brende visited Japan and had a foreign ministerial meeting with Foreign Minister Kishida.

Finland: President Niinistö visited Japan in March, and the two leaders issued their first joint statement, which positions the relationship between Japan and Finland as a strategic partnership that serves as a gateway between Asia and Europe, and affirms the promotion of strategic cooperation in a wide range of areas including politics and security, economy, and the Arctic.

[Baltic Countries]

Estonia: Prime Minister Rõivas visited Japan in April. During his meeting with Prime Minister Abe, the two leaders concurred on promoting cooperation in areas such as ICT and cyber-security, as well as the economy.

Lithuania: In March, Speaker of the Seimas (parliament) Graužinienė visited Japan, and paid a courtesy call on Prime Minister Abe.

GUAM

In February, the "GUAM + Japan" workshop was held in Tokyo under the theme of "Environment and Waste Management." In December, the 4th GUAM + Japan foreign ministerial meeting was held in Germany (attended by State Minister for Foreign Affairs Kishi from Japan). Cooperation between Japan and GUAM has been strengthened through these events.

Chernobyl: In April, Parliamentary Vice-Minister for Foreign Affairs Yamada visited Ukraine and Belarus. In addition to attending the 30th anniversary event marking the Chernobyl nuclear accident, she also concurred with leaders of both governments to continue cooperating on the advancement of aftermath responses to accidents at nuclear power stations.

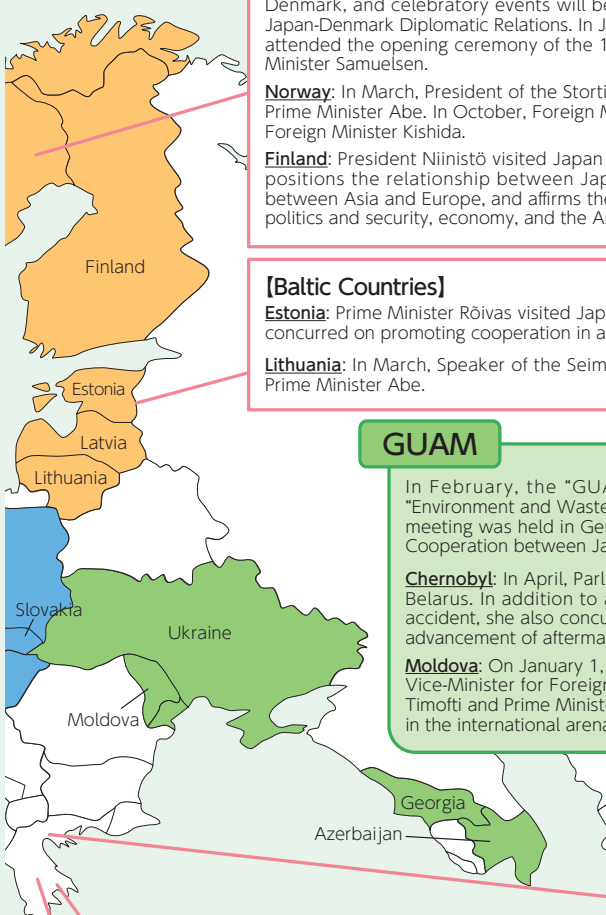
Moldova: On January 1, the Embassy of Japan in Moldova opened. In September, Parliamentary Vice-Minister for Foreign Affairs Takisawa visited Moldova, exchanging opinions with President Timofti and Prime Minister Filip, among others, strengthening bilateral relations and cooperation in the international arena.

Problems in Cyprus: Cyprus, which has been segmented into the Greek residential region in the south and the Turkish residential region in the north since 1974, has experienced a growing momentum toward unification since April 2015, with numerous intensive negotiations between the representatives of the two factions.

Debt crisis in Greece: The Tsipras Administration, which came to power after general elections were held in January 2015, initially requested a review of the austerity measures put in place by the EU and the IMF as conditions for the provision of financial support to Greece. Although there was a concern about Greece's default and withdrawal from the Eurozone at one point, the agreement on the third economic adjustment program was reached in August the same year. Since then, Greece has been implementing structural reforms including austerity measures continued from the previous administration.

[West Balkan States]

Racial conflict remains an unresolved issue in the West Balkan region. However, overall progress on stability and development has been made toward stability and development through reform initiatives for joining the European Union undertaken by various countries. As for its relations with Japan, high-level exchanges were held, including the visit by Parliamentary Vice-Minister for Foreign Affairs Takisawa to Montenegro in September, the visit by State Minister for Foreign Affairs Kishi to Bosnia and Herzegovina in October, and the meeting between State Minister for Foreign Affairs Kishi and Croatian Deputy Prime Minister and Minister of Foreign and European Affairs Stier during the OSCE Ministerial Council in December. Furthermore, in order to strengthen its presence and activities in the West Balkan region, Japan established embassies in Albania and former Yugoslav Republic of Macedonia on January 1, 2017.



Germany, which is supported by the long-term administration of Chancellor Merkel and solid economic growth, is rising not only in Europe but also in the international community, and it is substantially leading the response to the various crises that the international community is facing including the Ukraine issue, the refugees issue, the situation in the Middle East and North Africa, the issue of the withdrawal of the UK from the EU, etc.

As for its relations with Japan, following on from 2015, a number of high-level visits realized including the visit to Japan of Federal Minister for Foreign Affairs Steinmeier (April, G7 Hiroshima Foreign Ministers' Meeting), the visit to Germany of Prime Minister Abe (May), the visit to Japan of Chancellor Merkel (May, G7 Ise-Shima Summit), the visit to Japan of Federal President Joachim Gauck (November), etc. In the Foreign Ministers' Meeting in April the ministers discussed the regional situation and agreed to cooperate closely in order to achieve concrete outcomes in UN Security Council reform. In the summit meeting between Prime Minister Abe and Chancellor Merkel in May and the summit meeting between Prime Minister Abe and President Gauck in November, the leaders held discussions on a variety of areas including bilateral relations, the regional situation, in particular the Ukraine situation, and confirmed that Japan and Germany would cooperate even more closely while working together with the international community for the peace and stability of the world. Furthermore, in response to the agreement in the summit meeting in May, the Japan-Germany cyber security consultation was launched, and its first meeting was held in Tokyo in September.

(5) Italy and Spain

A Italy

2016 was the year commemorating the 150 anniversary since Japan and Italy concluded the Japan-Italy Treaty of Amity and Commerce in 1866, and many commemorative events were held in both countries under the banner of the "150th anniversary of diplomatic relations between Japan and Italy" (See column "*150th anniversary of diplomatic relations between Japan and Italy*"). Many VIP visits also took place. In March, Foreign Minister Kishida visited Italy and held a meeting with Foreign Minister Gentiloni, and they signed the Agreement on the Security of Information between Japan and Italy (which entered into force in June). In April, Foreign Minister Gentiloni visited Japan to attend the G7 Hiroshima Foreign Ministers' Meeting and visited Tokyo and Hiroshima. In May, Prime Minister Abe visited Florence, the hometown of Prime Minister Matteo Renzi, to hold a summit meeting, and the leaders confirmed that they would cooperate closely as the current and next chair countries of the G7 Summit. Also in May, Prime Minister Renzi visited Japan to attend the G7 Ise-Shima Summit.

Foreign Minister Kishida and Foreign Minister Gentiloni contributed to Japanese and Italian media simultaneously on August 25, the day in 1866 when the two countries established diplomatic relations. In his contribution, Foreign Minister Kishida indicated the latent possibility of cooperation in the area of transfer of defense equipment and technology between Japan and Italy and called for the deepening of cooperation between the two countries in the security and defense area.

With regard to domestic affairs, in

response to the rejection of a bill to amend the Constitution in a national referendum in December 2016, Prime Minister Renzi resigned. Then Foreign Minister Gentiloni was appointed as the prime minister, and the Gentiloni administration, that succeeded the previous administration's reform policies, was inaugurated in December.

B Spain

In Spain, in the general elections for both Houses held in December 2015, the ruling People's Party failed to win a majority of seats. The subsequent negotiations to form a coalition ran into trouble, and a new election was held in June 2016. The ruling People's Party once again failed to win a majority but the largest opposition party, the Spanish Socialist Workers' Party (PSOE), abstained from voting in the nomination vote for Prime Minister Mariano Rajoy, and as a result, the second Rajoy administration was established in November.

The number of travelers between Japan and Spain is becoming larger and in October direct flights between Tokyo and Madrid resumed for the first time in approximately 20 years.

(6) Ukraine

In eastern Ukraine, temporary improvements in the situation were seen (May and September), but there were constant violations of ceasefires throughout the year, so the unstable situation continued. In October, the leaders of Ukraine, Germany, France, and Russia held four-way talks for the first time in a year and agreed to the creation of a roadmap toward implementation of the Minsk Agreements but in December coordination between the four countries ran into trouble.

With regard to domestic affairs, in April, Prime Minister Yatsenyuk resigned against the backdrop of poor approval ratings and a new cabinet with former Chairperson of the Verkhovna Rada, Volodymyr Groysman, as prime minister was inaugurated. This cabinet announced that fighting corruption and judicial reforms were its priority reform areas, and it has continued to make efforts to accelerate reforms, including the adoption of a constitutional amendment bill in the judicial area in June and the start of a system for an electronic declaration of the assets of public officials in September, etc.

Regarding diplomacy, due to the Deep and Comprehensive Free Trade Agreement (DCFTA) between the EU and Ukraine entering into force in January and the resulting suspension of the Commonwealth of Independent States (CIS) Free Trade Agreement (FTA) between Russia and Ukraine, the EU's share of total trade with Ukraine increased and Russia's share declined. Furthermore, negotiations with the EU toward visa liberalization progressed and Ukraine continued paving the way towards European integration, and in its relations with Russia, Ukraine has worked to escape from its dependence on Russia in the energy area, for example by stopping purchases of Russian natural gas since November 2015.

Regarding relations with Japan, many high-level communications took place, such as the visit of President Petro Poroshenko to Japan in April, a summit meeting on the occasion of the UN General Assembly in September, the visits of Minister of Internal Affairs Avakov to Japan in October, First Vice Prime Minister, Minister of Economic Development and Trade, Stepan Kubiv, in

November, etc. Furthermore, in November the 6th Japan-Ukraine Economic Joint Meeting and in December the 4th meeting of the Japan-Ukraine Joint Committee for the Cooperation to Advance Aftermath Response to Accidents at Nuclear Power Stations and the Japan-Ukraine Security Council consultations were held, so bilateral relations steadily advanced. Regarding Japan's assistance to Ukraine, Japan pledged additional aid of approximately 1.5 billion yen in January and in addition dispatched a Japanese expert to Ukraine as an advisor to the finance minister of Ukraine.

2 European Regional Organizations and the Asia-Europe Meeting (ASEM)

(1) Cooperation with the North Atlantic Treaty Organization (NATO)

NATO is a military alliance aimed

at collective defense of its 28 member countries, and works on crisis management, the prevention of conflict and stabilization after a conflict outside its area that can become direct security threats to the territory and people of the member countries including assistance to Afghanistan, counterterrorism, anti-piracy measures off the coast of Somalia. In the NATO Wales Summit (2014), it was declared to increase the defense spending of each member state to 2% of its GDP within ten years (five countries had attained 2% or more of GDP as of 2016: the U.S., the UK, Estonia, Greece, and Poland). Furthermore, at the NATO Warsaw Summit in July 2016 a joint declaration on the NATO-EU strategic partnership was signed. At the meeting of NATO Foreign Ministers in December, in order to put the declaration into practice, NATO and the EU agreed to strengthen cooperation regarding more

Special Feature

150th Anniversary of Japan-Belgium Friendship

The Kingdom of Belgium is a state that has existed continuously since it was established in 1830. It started when it became independent of the United Kingdom of the Netherlands, a country with territory covering approximately the present area of Belgium and the Netherlands.

After the Meiji Restoration Japan embarked on encouragement of new industry, and learned many things from Belgium, which quickly experienced the Industrial Revolution that resulted in its advanced iron-making and machinery industries. An example of this was the establishment of the Bank of Japan. The Bank was established after Japan learned a lot from the National Bank of Belgium, which was considered as the model of modern banks in every aspect, from its legal system to its internal structure of the buildings.

Looking back at history, Belgium is the region in which Flemish painting flourished, and currently it is a country that is attracting attention in the various areas such as politics, economics and academia as the "capital of Europe." Belgium and Japan celebrated the 150th anniversary of the establishment of their diplomatic relations in 2016.

In Belgium, the Celebration Committee was organized centered on the Embassy of Japan in Belgium, and the 150th anniversary was celebrated. On January 19, 2016, a gorgeous

Opening Ceremony was held in the Egmont Palace, the state guest house of the Belgian Ministry of Foreign Affairs. Following this, a countless number of diverse Japan-related events were held throughout Belgium every week, including lectures and symposiums on cuisine, *hina* dolls, anime, the history between the two countries, etc., concerts featuring *taiko* drumming, *shakuhachi* flute, saxophone, violin, etc., demonstrations of *ikebana* flower arrangement, the tea ceremony, martial arts, *kimono*, etc., public performances of *gagaku* classical music, *rakugo* storytelling, *noh* theater, etc., *ukiyo*e woodblock prints, paintings, and photography exhibitions, etc. Furthermore, Japan participated as the invited country in large-scale events that are well-known in Belgium, such as the Salon des Vacances or Holiday Fair, the Ghent Florales (a flower show), the Ommegang (an historical festival), the Brussels Flower Carpet (see the photo), Film Fest Gent (international film festival of Ghent), Winter Wonders (a Christmas market). On December 13, the Closing Reception was held at the historical social club Cercle Royal Gaulois, closing the events celebrating the 150th anniversary.

Many events were held in Japan too, centered on the Embassy of Belgium in Japan. The highlight of these was the visit to Japan by His Majesty King Philippe, King of the Belgians, and Her Majesty Queen Mathilde, Queen of the Belgians. From October 11 to October 14, Their Majesties the King and Queen stayed in Japan as State Guests, paid a State Call to Their Majesties the Emperor and Empress of Japan, attended a State Banquet at the Imperial Palace, and visited Yuki City guided by Their Majesties the Emperor and Empress. Their Majesties the King and Queen also attended a dinner hosted by Prime Minister Abe and his wife, among others. In addition to Tokyo, they travelled to Nagoya City and Osaka City, and attended events commemorating the 150th anniversary. The events in a wide range of fields such as a meeting with business people, fashion event in Belgium, a seminar of women and a meeting with academics, showed the richness of the Japan-Belgium relations.

The visit to Japan by Their Majesties King Philippe and Queen Mathilde opened a new page in the history of exchanges between the Imperial Family of Japan and the Royal Family of Belgium, that have cultivated a close and friendly relationship, and created an opportunity for further development of the friendly relations between the two countries, making an important step toward the 200th and 300th anniversary.



Brussels Flower Carpet
©Peter Testelmans, Muse HeArt Photography



Their Majesties the Emperor and Empress of Japan receiving Their Majesties King Philippe and Queen Mathilde of the Belgians (October 11, Photo: Imperial Household Agency)

Column 150th anniversary of the establishment of diplomatic relations between Japan and Italy

● Overview of the 150th anniversary of diplomatic relations between Japan and Italy ●

1 The journey of 150 years shared by Japan and Italy

In 2016, Japan and Italy celebrated the 150th anniversary of the establishment of the diplomatic relations between the two countries. The first exchanges between Japanese people and Italian people go back to the second half of the 16th century, but relations between the two countries were created on August 25, 1866 by concluding the Treaty of Amity and Commerce. Since then, both Japan and Italy have achieved development as modern united nations, and the friendly cooperative relations between the two countries have steadily developed across a wide range of areas.



Japan and Italy have many points in common, including a world-class culture and profound aesthetic sense, underpinned by a long history and traditions, which have played a major role in promoting mutual understanding. It is no coincidence that the first large-scale exhibition of Japanese art in Europe was held in Rome in 1930. Furthermore, “Japan in Italy 1995-1996,” a large-scale event to introduce Japan which was held for the first time in Italy in the middle of the 1990s, led to the subsequent “Italy in Japan 2001” and the events for the 150th anniversary of the diplomatic relations between Japan and Italy.

2 VIP Visits

In this milestone year, partly because of the fact that Japan was the G7 chair country, the number of visits between the two countries increased. In particular, Their Imperial Highnesses Prince and Princess Akishino paid an official visit to several cities such as Rome, Milan, Bologna, and Florence, from May 10 to May 16. In Rome, Their Imperial Highnesses celebrated the 150th anniversary of the diplomatic relations together with President Sergio Mattarella. Furthermore, the Japan-Italy relations have become even closer by VIP visits including the visits to Italy by Prime Minister Abe, Deputy Prime Minister and Minister of Finance Aso, and Foreign Minister Kishida as well as the visits to Japan by Prime Minister Matteo Renzi, and Minister of Foreign Affairs Paolo Gentiloni.

3 Events for the 150th anniversary of the diplomatic relations between Japan and Italy

Events for the 150th anniversary of the diplomatic relations between Japan and Italy were jointly promoted by the public and private sectors, and hundreds of events were run in a wide range of areas, such as holding of symposiums on politics, economics, tourism, education, and academic relations, throughout Japan and Italy, and Japan-Italy

joint meetings. Large-scale exhibitions on such themes as Buddhist statues, paintings, and photographs. were held, and in May a lighting ceremony to light up the Colosseum in brilliant colors was held in the presence of Their Imperial Highnesses Prince and Princess Akishino. Furthermore, a variety of events were held, from the traditional performing arts of Japan including *noh* theater and *bunraku* puppet shows, to *gagaku* classical music and traditional Japanese musical instrument concerts, modern dance, a concert given by a combined Japan-Italy orchestra conducted by Mr. Riccardo Muti, and tournaments featuring *kendo* sword fighting and other martial arts. Many sister city exchanges and grassroots events were also carried out, and Japanese androids were widely covered in the media in Italy.

Relations between one country and another boil down to relations between a person and another. It is strongly expected that based on the 150th anniversary of diplomatic relations between Japan and Italy, which bonded together the hearts of many people, mutual understanding between the two countries, and between the citizens of the two countries will be further encouraged, and that new prospects for the bilateral relations will be opened up.

● Events to celebrate the 150th anniversary of the diplomatic relations between Japan and Italy ●

Light-up of the Colosseum in Rome (Love to Humanity, Love to Earth)

Lighting designer Motoko Ishii (representative of Motoko Ishii Lighting Design Inc.)

The Colosseum, approximately two thousand years old, one of the largest ruins in Italy, and a landmark of Rome, was bathed in light. A vivid red light flickered while coloring the inside of the rows of arches. In the next instant, it was covered by blinding pure white light. This was the start of the prologue of the event.

After the Colosseum was colored red, white, and green like Italy's flag, a pure red circle was drawn on the white part in the middle. This was the moment when Japan's flag is superimposed on Italy's flag.

To the rhythm of the stately *gagaku*, a straight line was drawn with thick, white brushstrokes out of the darkness, and following this the pine trees of Rome and then the forests of Japan appeared. Symbolizing the love to humanity, living creatures such as birds, fish, flowers and butterflies were drawn, and in the final climax, to appeal the love for the Earth, words meaning "love" in the languages of the world, beginning with AMORE in Italian and then *AI* in Japanese, cover Earth one after another.

The event of the Light-up of the Colosseum started on May 11, 2016 with an honored beginning with Their Imperial Highnesses Prince and Princess Akishino pushing the switch to turn on the lights to start the show. Just at that time the weather was occasional showers, which is unusual for Rome, but the rain stopped immediately before the lights were turned on and the subsequent three days of events were blessed with fine weather.

Looking back, there were many hurdles that had to be overcome to realize the event.

First of all, although there have been friendly relations between the two countries over the many years until now, there was the question of whether we could use the Colosseum, Italy's largest cultural ruin, among others.

I strongly feel that these hurdles could only be overcome thanks to the support from Mr. Umberto Vattani, the President of Fondazione Italia Giappone, and Mr. Hiroyasu Ando, President of the Japan Foundation, who promoted this event with enthusiasm throughout.

Furthermore, I would like to take this opportunity to cordially thank everyone who helped, including the staff at the Embassy of Japan in Italy.

Light has a strong impact. Beautiful light has the ability to reach the hearts of all people. If I could have opportunities, I would love to continue putting on lighting events in city spaces that can be seen by tens of thousands of people in one night and can serve as anniversary events capable of building ties between Japan and other countries.



Their Imperial Highnesses Prince and Princess Akishino turning on the lights at the Colosseum (May 11, Rome, Italy; Photo: Motoko Ishii Lighting Design Inc.)



Lighting event, the light-up of the Colosseum (May 11, Rome, Italy; Photo: Motoko Ishii Lighting Design Inc.)

than 40 measures in seven areas, including maritime security and cyber security.

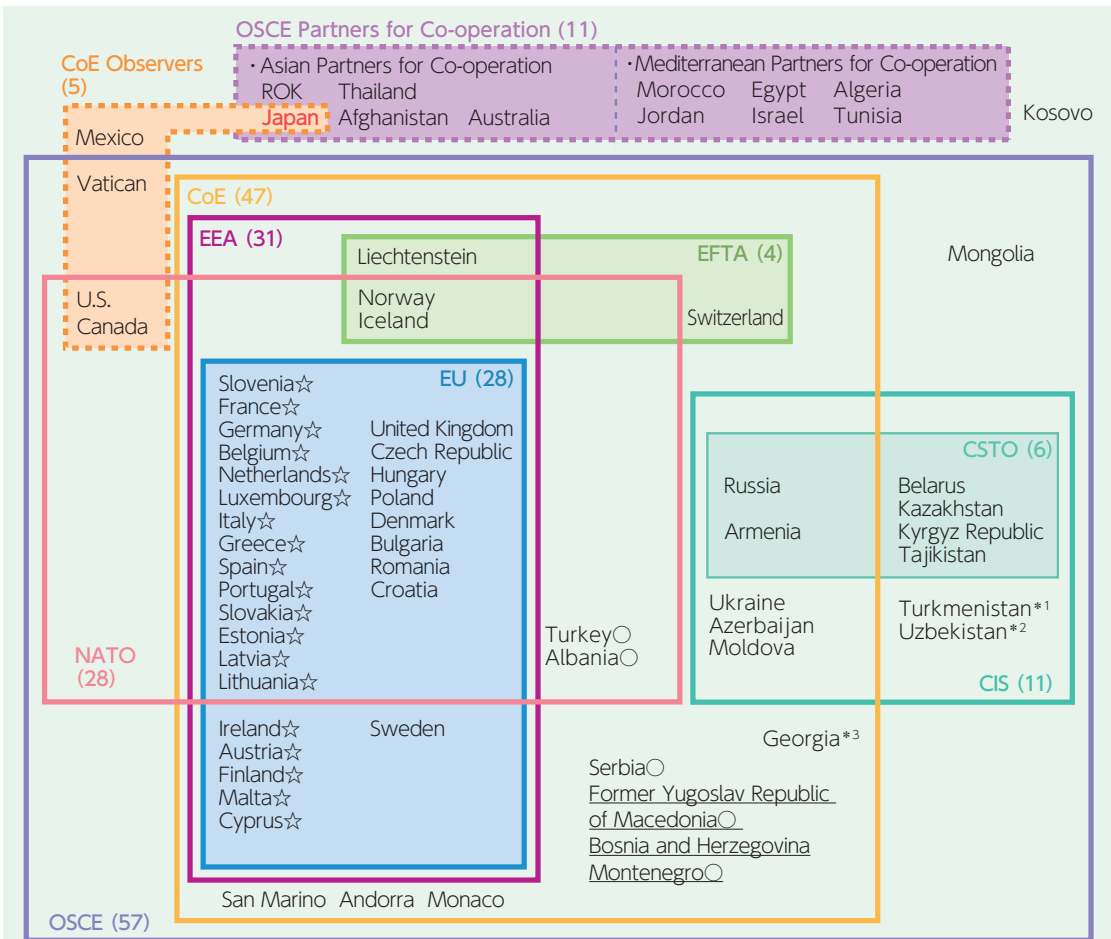
Japan and NATO are partners sharing basic values. In accordance with the Individual Partnership and Cooperation Program (IPCP) that was signed upon Prime Minister Abe's visit to NATO Headquarters¹ in May 2014, concrete cooperation between Japan and NATO has been promoted. In February 2016 the Japan-NATO High-Level Consultations was held in Brussels and both sides exchanged their views on security policies. To date, Japan has participated in the NATO Crisis Management Exercise (CMX), Humanitarian Assistance/Disaster

Relief (HA/DR), and cyberspace related exercises as an observer. Furthermore, Japan has dispatched female Self-Defense Force personnel to NATO headquarters in order to encourage cooperation in the areas of women, peace, and security.

In addition to the financial contributions for development, Japan also cooperates with NATO for stabilization of Afghanistan. Specifically, Japan supports activities of healthcare and education programs for the Afghanistan National Army (ANA) through contribution to the NATO ANA Trust Fund. In addition, Japan contributes to the NATO Partnership for Peace (PfP) Trust Fund that

¹ In January 2007, Prime Minister Abe visited NATO headquarters for the first time as a Japanese prime minister; this time was the second visit by a Japanese prime minister.

Major Frameworks of Europe



<Legend>

- : Candidate to be an EU member (5)
- ☆: Euro member countries (19)
- : Members of the Membership Action Plan (MAP) (3)

Number of member countries in ()

- * 1 Turkmenistan has been an associate member of CIS since 2005.
- * 2 Uzbekistan ceased its membership in CSTO in 2012.
- * 3 Georgia notified CIS of its decision to leave the organization on August 18, 2008, and formally withdrew from CIS on August 18, 2009.

<Abbreviations>

- CoE (Council of Europe): (47)
- CIS (Commonwealth of Independent States): (11)
- CSTO (Collective Security Treaty Organization): (6)
- EEA (European Economic Area): (31)
- EFTA (European Free Trade Association): (4)
- EU (European Union): (28)
- NATO (North Atlantic Treaty Organization): (28)
- OSCE (Organization for Security and Co-operation in Europe): (57)

supports programs such as the clearance of unexploded bombs and landmines and explosive ordnance disposal training in Georgia.

(2) Asia-Europe Meeting (ASEM) (see 2-1 for the details)

ASEM - a gathering of Asian and European countries that account for approximately 60% of world's GDP, population, and trade - is a valuable forum for strengthening relations between Asia and Europe, and enabling Japan to promote its contributions to the world through its policies of Abenomics and proactive contribution to peace.

In July 2016, a summit meeting was held in Ulaanbaatar and the leaders decided to designate March 1, the date on which the first ASEM meeting was held in Bangkok, as "ASEM Day" in commemoration of the 20th anniversary of the inauguration of ASEM. Activities are being carried out for young people of Japan to think about the future of Europe and Asia and promote mutual understanding and people-to-people exchange.

(3) Cooperation with the Organization for Security and Co-operation in Europe (OSCE)

OSCE, which has 57 member countries from Europe, Central Asia, and North America, is a regional security organization that aims to prevent conflicts and build confidence in the region through a comprehensive approach. Japan has been involved in OSCE activities as an "Asian Partner for Co-operation" since 1992 and supports terrorism prevention by

strengthening border management through contribution to Border Management Staff College², election management, and projects that support the advancement of women into society, etc.

OSCE is playing an important role in improving the Ukraine situation. Japan understands the Ukraine issue to be a matter of principle to maintain a rules-based international order and is providing financial support to the OSCE Special Monitoring Mission to Ukraine (SMM) and has been dispatching an expert to the SMM from August 2015. State Minister for Foreign Affairs Kishi attended the OSCE Ministerial Council held in Hamburg (Germany) in December and stated that the security environments of Europe and Asia are indivisible. In addition, he referred to the current situation regarding the terrorism and refugee issues, and the situations in the Ukraine and East Asia (North Korea, the East China Sea and the South China Sea) and responses to them, and appealed the importance of fully observing the rule of law and united responses by the international community.

(4) Cooperation with the Council of Europe (CoE)

The CoE is a regional organization of 47 member countries in Europe and fulfills an important role in establishing international standards in the fields of democracy, human rights, and the rule of law. As the only observer from Asia, Japan has been making active contributions to various activities of the CoE since its accession in 1996. Japan dispatched an expert to the 5th World

² Border Management Staff College (BMSC) is providing training and education related to the latest concerns about border management, especially a comprehensive approach to safety, democratization reforms, and measures against trans-border threats to border management staff from OSCE members and partner countries.

Forum for Democracy held in November (in Strasbourg, France). Japan also dispatched experts and provided financial support to “the Octopus Conference 2016” which aims at promoting international cooperation to respond to cybercrime held in the same month (in Strasbourg). Furthermore, 2016 was the 20th anniversary of Japan being given observer status. In commemoration of this anniversary, Japan held a photo exhibition in the CoE venue of the Buddhist statues and masks stored in Todaiji Temple, Nara Prefecture.