

# Diplomatic Bluebook

2017



Ministry of Foreign Affairs, Japan

# **Diplomatic Bluebook 2017**

Japanese Diplomacy and  
International Situation in 2016

Ministry of Foreign Affairs, Japan

# Preface to the Diplomatic Bluebook 2017

The year 2016 was a very important year for Japanese diplomacy with serious responsibilities. As the G7 Presidency, Japan hosted the Isejima Summit (May) and the Hiroshima Foreign Ministers' Meeting (April), then the Sixth Tokyo International Conference on African Development (TICAD VI) was held in Kenya, first ever held in Africa in August. Moreover, Japan became a non-permanent member of the United Nations Security Council for the first time in five years, contributing proactively to a variety of discussions on issues of international peace and stability such as the North Korea issue.

With regard to Japan-United States (U.S.) relations, President Obama visited the bombsite of Hiroshima for the first time as a sitting U.S. president in May, making it a historical event in terms of revitalizing international momentum for realizing a world free of nuclear weapons. At the same time, the visit symbolized the strength of the Japan-U.S. Alliance, as an "Alliance of Hope." Moreover, Prime Minister Abe's visit to Pearl Harbor of Hawaii, in December, demonstrated strongly the power of Japan-U.S. reconciliation to the international community.

Furthermore, in relations with neighboring countries, an important step was taken toward the conclusion of a Japan-Russia peace treaty with President Putin's visit to Japan in December.

Chapter 1 of the Diplomatic Bluebook 2017 takes a brief look at the international situation surrounding Japan and Japan's diplomacy, Chapter 2 examines Japan's foreign policy that takes a Panoramic Perspective of the World Map, and Chapter 3 focuses on Japan's foreign policy to promote national and worldwide interests. Chapter 4, entitled "Japan's Diplomacy Open to the Public," explains the efforts of the Ministry of Foreign Affairs to support Japanese society and people in deepening ties with the world, the enhancement of the diplomacy implementation structure, and the efforts for ensuring the safety of Japanese people overseas. Commentaries have been utilized together with charts and maps to aid readers' understanding, and themed "special features" and "columns" conveying voices from the diplomatic front lines are provided to make readers feel familiar with diplomacy.

For Japan to pursue vigorous diplomacy, it is an absolute necessity for us to gain the understanding and cooperation of all citizens. We sincerely hope that this Diplomatic Bluebook will help every one of you deepen your understanding of Japan's latest foreign policy and international affairs, and that it will provide an opportunity to disseminate the "right image" of a Japan working hard to address global issues, in order to ensure the peace and prosperity of the world.

June 2017

Minister for Foreign Affairs  
**Fumio Kishida**



In principle, this Diplomatic Bluebook 2017 describes an overview of the international situations and Japan's diplomatic activities between January 1 and December 31 of 2016; however, some important events that occurred through beginning of March 2017 are also included.

In this book we have tried to provide plain and easy-to-understand explanations that anyone would find easy to read. Some articles in columns were contributed by prominent persons who are internationally successful and others concerning activities which the Ministry of Foreign Affairs (MOFA) particularly put a strong effort in 2016.

Key speeches, communiqués, and statistics which were listed in the Diplomatic Bluebook until 2002 are available on the MOFA website at <http://www.mofa.go.jp/index.html>. You will find an electronic version of this book and back numbers of Diplomatic Bluebook at <http://www.mofa.go.jp/policy/other/bluebook/index.html>.

For more details with respect to Chapter 3, Section 1, "4. Disarmament, Non-proliferation, and the Peaceful Use of Nuclear Energy," and Chapter 3, Section 2, "Japan's International Cooperation," please refer to the MOFA's publications, "Japan's Efforts on Disarmament and Non-proliferation," and "White Paper on Development Cooperation/Japan's ODA White Paper." These documents are also available on the MOFA website at <http://www.mofa.go.jp/mofaj/gaiko/report.html>.

Please note that the titles of persons and names of countries appearing in this book are those as of 2016.

## Chapter 1 International Situation and Japan's Diplomacy in 2016

1 Overview of the International Situation .....	002
2 Japan's diplomacy .....	006
<b>Special Feature</b> The G7 Ise-Shima Summit & G7 Hiroshima Foreign Ministers' Meeting .....	018
<b>Special Feature</b> Visit by U.S. President Obama to Hiroshima .....	021
<b>Special Feature</b> Free and Open Indo-Pacific Strategy .....	026

## Chapter 2 Japan's Foreign Policy that Takes a Panoramic Perspective of the World Map

<b>Section 1 Asia and Oceania</b> .....	030
<b>Overview</b> .....	030
1 Korean Peninsula .....	037
2 China / Mongolia, etc. ....	049
<b>Column</b> Japan-China film exchange puts the icing on the cake of the 45th anniversary of the normalization of Japan-China diplomatic relations .....	057
3 Southeast Asia .....	063
4 South Asia .....	072
5 Oceania .....	077
6 Regional and Inter-Regional Cooperation .....	083
<b>Section 2 North America</b> .....	093
<b>Overview</b> .....	093
1 United States .....	094
<b>Special Feature</b> Visit to Hawaii by Prime Minister Abe .....	104
<b>Special Feature</b> Toward the construction of new Japan-U.S. economic relations: The holding of the Study Group on Japan-U.S. Economy 2016 and submission of a proposal .....	110
2 Canada .....	112
<b>Section 3 Latin America and the Caribbean</b> .....	115
<b>Overview</b> .....	115
1 Strengthening Relations and Cooperating with Latin America and the Caribbean Countries .....	117
2 Situation in Latin America and the Caribbean Region .....	120

<b>Column</b>	Strengthening exchanges and collaboration with Japanese immigrants and their descendants (“Nikkei”) in Latin America and the Caribbean .....	125
<b>Column</b>	Shitamachi Bobsleigh: The Spirit of Craftsmanship and the Diplomacy of Japan Bear Fruit in Jamaica .....	126
<b>Section 4</b>	<b>Europe</b> .....	128
<b>Overview</b>	.....	128
	1 Regional Situation .....	131
	2 European Regional Organizations and the Asia-Europe Meeting (ASEM) .....	140
<b>Special Feature</b>	150th Anniversary of Japan-Belgium Friendship .....	140
<b>Column</b>	150th anniversary of the establishment of diplomatic relations between Japan and Italy .....	142
<b>Section 5</b>	<b>Russia, Central Asia and Caucasia</b> .....	148
<b>Overview</b>	.....	148
	1 Russia .....	149
<b>Special Feature</b>	Visit to Japan by President Putin .....	153
	2 Central Asian and Caucasian Countries .....	155
<b>Section 6</b>	<b>The Middle East and North Africa</b> .....	158
<b>Overview</b>	.....	158
	1 Iraq .....	160
	2 Syria .....	161
	3 Iran .....	163
	4 Afghanistan .....	164
	5 Middle East Peace Process .....	165
	6 Countries in the Middle East and North Africa .....	166
<b>Section 7</b>	<b>Sub-Saharan Africa</b> .....	171
<b>Overview</b>	.....	171
	1 Holding the Sixth Tokyo International Conference on African Development (TICAD VI) .....	172
	2 Situation of Sub-Saharan Africa and Japan’s efforts .....	175
<b>Special Feature</b>	TICAD VI: the interest of the private sector in Africa .....	176

## Chapter 3 Japan's Foreign Policy to Promote National and Worldwide Interests

<b>Section 1</b>	<b>Efforts for Peace and Stability of Japan and the International Community</b> .....	186
<b>Overview</b>	.....	186
	1 National Security Initiatives .....	191
	2 Japan-U.S. Security Arrangements .....	193
	3 Global Security .....	198
	(1) Regional Security (198), (2) Peacekeeping and Peacebuilding (201), (3) Initiatives to Combat Security Threats (205), (4) The Oceans and Seas (208), (5) Cyber (213), (6) Outer Space (214)	
<b>Column</b>	On the Frontlines of Space Diplomacy ~ Contributions from Space experts at the United Nations Committee on the Peaceful Uses of Outer Space ~ .....	216
	4 Disarmament, Non-proliferation and the Peaceful Uses of Nuclear Energy .....	218
	5 Japan's Efforts at the United Nations (UN) .....	232
<b>Special Feature</b>	Activities as a Permanent Member of the United Nations Security Council .....	238
	6 The Rule of Law in the International Community .....	240
<b>Special Feature</b>	Japan in the UN: 60th Anniversary .....	241
	7 Human Rights .....	247
	8 Women .....	251
<b>Column</b>	WAW! for Action ~ Our Individual Action Toward a Society Where Women Shine: Message from the WAW! 2016 Public Forum .....	254
<b>Section 2</b>	<b>Japan's International Cooperation (Development Cooperation and Response to Global Issues)</b> .....	258
<b>Overview</b>	.....	258
	1 Development Cooperation (ODA, etc.) .....	262
	(1) The Current Status of ODA (262), (2) Japan's Development Cooperation Performance and Approaches to Major Regions (264), (3) Approaches to Appropriate and Effective Implementation of ODA (269)	
	2 Response to Global Issues .....	271
	(1) 2030 Agenda for Sustainable Development (271), (2) Global Health (274), (3) Environmental Issues and Climate Change (275), (4) Arctic and Antarctic (280)	
<b>Special Feature</b>	Sustainable Development Goals (SDGs) ~ Cooperation with a Wide Range of stakeholders ~ .....	273

	<b>Special Feature</b>	Post-COP21 Climate Change Negotiations ~ Entering into Force of the Paris Agreement, COP22 ~ .....	281
		3 Science and Technology Diplomacy .....	283
	<b>Column</b>	Applying Japanese Science and Technology to Diplomacy ~ Outlook for Activities by the Science and Technology Advisor to the Minister for Foreign Affairs .....	285
<b>Section 3</b>		<b>Economic Diplomacy</b> .....	287
<b>Overview</b>		.....	287
		1 Rule-Making to Bolster Free and Open Global Economic Systems ...	291
		(1) Promotion of Economic Partnerships (291), (2) Initiatives with International Organizations (WTO, OECD, etc.) (300), (3) Initiatives in International Meetings (G7 and G20 Summits, APEC, etc.) (304), (4) Intellectual Property (308)	
		2 Support for Japanese Companies' Overseas Business Expansion in Promoting Public and Private Partnerships .....	308
		(1) Promotion of Japanese Companies' Overseas Business Expansion by Ministry of Foreign Affairs (MOFA) and Accompanying Diplomatic Missions Overseas (308), (2) Promotion of Overseas Business Expansion of Japanese Infrastructure System (309), (3) Promotion of the Export of Agricultural, Forestry and Fishery Products and Food (310), (4) The UK's Withdrawal from the EU: Message from Japan (312)	
	<b>Column</b>	Quality Infrastructure Investment .....	311
		3 Promoting Resource Diplomacy along with Foreign Direct Investment in Japan .....	313
		(1) Securing a Stable Supply of Energy and Mineral Resources at Reasonable Prices (313), (2) Ensuring Food Security (319), (3) Fisheries (Including Tuna and Whaling Issues) (322), (4) Foreign Direct Investment in Japan (323)	
	<b>Column</b>	Adoption of the "Tokyo Declaration on the Energy Charter" ~ Outcome of Japan's diplomacy in the energy sector in 2016 ~ .....	318
<b>Section 4</b>		<b>Efforts to Promote Understanding and Trust in Japan</b> .....	325
<b>Overview</b>		.....	325
		1 Strategic Communications .....	326
		2 Cultural Diplomacy .....	328
	<b>Column</b>	Behind the Scenes of the Gymnastics Team at the Rio Olympics .....	339
	<b>Column</b>	Judo's Contributions to Diplomacy .....	341



## Chapter 4 Japan's Diplomacy Open to the Public

<b>Section 1</b>	<b>Japanese Society and People Deepening Their Ties with the World</b> ···	344
<b>Overview</b>	·····	344
	1 Linking the Energy of Foreign Nationals to the Growth of Japan ·····	346
	2 Japanese Taking Active Roles in the International Community ·····	348
	<b>Column</b> The Voices and People Who Have Supported the United Nations The UN as a path to building a better world ·····	351
	Supporting "Win-Win-Win" TICAD Process ·····	352
	<b>Column</b> Impressions from the podium of chairing the Postal Operations Council (POC) of the Universal Postal Union (UPU) ·····	353
	3 Cooperation with Local Government ·····	358
<b>Section 2</b>	<b>Supporting Japanese Nationals Overseas</b> ·····	363
<b>Overview</b>	·····	363
	1 Overseas Risks and Safety of Japanese Nationals ·····	364
	<b>Column</b> Calling on Golgo 13 ~Overseas Safety Measures for Japanese Businesses~ ·····	368
	2 Consular Service and Assistance for Japanese Living Overseas ·····	370
	<b>Column</b> 150th Anniversary of the Passport ~Passports Past, Present and Future~ ·····	374
	3 Cooperation with Emigrants and Japanese Descendants, Nikkei ·····	376
	4 The Convention on the Civil Aspects of International Child Abduction (the Hague Convention) and its Implementation ···	376
	<b>Column</b> Participating in the Asia Pacific Symposium on the 1980 Hague Child Abduction Convention ·····	378
<b>Section 3</b>	<b>Diplomacy with the Support of the Public</b> ·····	379
<b>Overview</b>	·····	379
	1 Proactive Communications to the Public ·····	380
	2 Strengthening Foreign Policy Implementation Structure ·····	384
	<b>Column</b> Messaging through the Foreign Media at the G7 Ise-Shima Summit ·····	385
	3 Role of Intellectuals, etc. in Diplomacy ·····	390



# Chapter 1

## International Situation and Japan's Diplomacy in 2016

# International Situation and Japan's Diplomacy in 2016

In order for Japan to ensure its national interests in the political, security, and economic domain, and to continue to maintain and develop an international order desirable for Japan based on universal values such as freedom, democracy, rule of law, and human rights, it is essential to conduct strategic diplomacy, while rationally grasping changes in the international situation and responding to those changes.

Below is a broad overview of the international situation surrounding Japan and Japan's diplomacy in 2016.

## 1 Overview of the International Situation

### (1) Changes in the International Situation in the Medium-term

#### A Change in the balance of power and a diversification of the actors

Since the turn of the 21st century, the rise of the so-called emerging countries, including China and India, and the shift of center of the global economy from the Atlantic to the Pacific is pointed out. Furthermore, when viewing a long-term estimation of population dynamics,

relatively high population growth is expected in the African countries<sup>1</sup>. While the rise of the emerging countries has become the driving power of the global economy, changes are also being brought about in the balance of power.

Aside from state actors international non-governmental organizations (NGOs) and multinational corporations have come to serve an even more important role in the international arena, and they have become more influential in the international community. At the same time, there is a growing concern over acts of terrorism by non-state actors.

The change in the balance of power and increasing complexity of the actors in the international arena have changed the ways of leadership and global governance in international order. In addition, there are concerns that they could lead to attempts to change the status quo by force and destabilization of the existing international order.

#### B Diversification and complexification of threats

The security environment has become

<sup>1</sup> The United Nations website

complicated with concerns regarding the increase of “Grayzone” situations that are neither pure peace time nor contingencies over territorial sovereignty and interests in the context of a shift in the balance of power and insufficient institutionalization of cooperative security frameworks.

Issues related to the transfer, proliferation and improvement of weapons of mass destruction and ballistic missiles, including the possibility of acquisition and use of such weapons by international terrorist organizations, etc., constitute a major threat to the entire international community, including Japan.

Regarding international terrorism, there is a growing concern of large-scale acts of terrorism targeting so-called soft-targets in recent years. Advances in communication tools, including social networking services (SNSs), are also used in the diffusion of ideologies and expansion of the range of activities by international terrorist organizations.

Recent advances in science and technology have created new areas for human activities such as cyber space and outer space. While this presents big opportunities, it brings about new risks and threats, with the establishment of applicable norms under development.

Furthermore, it has been pointed out that innovations in unmanned and automated weapons technology and cyber technology have the possibility of changing the nature of security in the future.

### **C** The emergence of protectionist and inward-looking trends

In the world economy, interdependence

has been strengthened more than ever through the development of the global supply chain and financial systems in line with the progress of globalization and technology. While those create further opportunities for growth, they also make it easier for an economic shock in one region or fluctuations in commodity prices and other factors to simultaneously impact other regions and the entire world economy. Furthermore, to facilitate cross-border economic activities even more smoothly, there is an increased need for the maintenance and formulation of an economic order based on rules.

On the other hand, protectionist and inward-looking trends are strengthening against globalization. While the backgrounds of those trends may vary from the increasing domestic income inequality, job losses, the increase in imports, and a rise in migrants, to the global environmental problem, it is to be seen how the anti-globalism movement will impact the trend of the liberal economy which has supported the post-war international economic order.

### **D** Growing concern over global issues

While the proportion of the so-called poorest segment has been decreasing in the world as a whole in recent years, some data indicates that the poorest living on less than 1.9 US dollars a day still account for about 10% of the world's population<sup>2</sup>. Poverty limits freedom and abundant potential of individual human beings, and concurrently becomes a source of social injustice, political instability and violent extremism.

Furthermore, the number of refugees,

<sup>2</sup> World Bank website

internally displaced persons (IDPs), and asylum-seekers, has increased in recent years due to such factors as frequent occurrence of new crises and protracted conflicts and persecutions, and the number has now reached approximately 65 million people<sup>3</sup>, the largest number since the end of World War II. The issue of refugees and other displaced persons is a serious humanitarian problem, and has brought about friction in the international community, and there is a concern that the issue will be further prolonged and aggravated.

Furthermore, there is a concern that global warming will have a serious impact on the global environment, including an increase in natural disasters and damages caused by such disasters. The number of people crossing borders has now increased dramatically due to globalization, posing an increasingly serious threat of the outbreak and transmission of infectious diseases. It has also been pointed out that the increase in global population, industrialization and urbanization in the future may aggravate issues over water, food, and health.

## (2) The Increasingly Severe Security Environment in East Asia

### **A** China's strengthening of military force which lacks transparency and unilateral attempts to change the status quo

Peaceful development of China should be welcomed for Japan and the entire international community. However, China continues to strengthen its military power without transparency, including continued expansions of its defense budgets, and China's defense expenditure has continued

to show every year an approximately double digit increase rate from the previous year since 1989. In addition, the organizational structure and equipment of the marine law enforcement agencies as exemplified by the China Coast Guard have been reinforced, while such agencies are not under the command and order of the People's Liberation Army (PLA).

China continues actions and unilateral attempts to change the status quo at sea and in the airspace in areas such as the East and South China Sea based on its own assertions which are incompatible with the existing order of international law of the sea.

In the East China Sea, Chinese government-owned vessels have continued to intrude into Japan's territorial waters around the Senkaku Islands. Particularly in August, 2016, multiple Chinese government-owned vessels advanced into waters around the Senkaku Islands, and repeatedly intruded into Japan's territorial waters. In addition, China has been continuing unilateral resource development in areas pending the delimitation of the Exclusive Economic Zone and continental shelves in the East China Sea.

In the South China Sea, China has conducted large-scale and rapid land reclamation, built outposts, and utilized them for military purposes. In 2016, there were developments seen such as test flights to the Spratly Islands carried out by private Chinese aircraft (January and July), the installation of surface-to-air missiles on Woody Island (February), patrols in the airspace above Scarborough Shoal carried out by bombers and other aircraft (August),

<sup>3</sup> United Nations High Commissioner for Refugees (UNHCR) website

and the sailing of an aircraft carrier of the Chinese Navy to the South China Sea (December).

In July, 2016, the Arbitral Tribunal rendered the final award regarding the dispute over the South China Sea between the Philippines and China. Rights claimed by China in the maritime area encompassed by the “Nine-Dash Line” were denied, and the illegality of its actions such as land reclamations was confirmed. China, however, continues to make its own assertion, such as rejecting the legally binding force of the award.

The issues of the South China Sea are common interest of the international community, including Japan, which relies on marine transportation for most of resources and energy and attaches importance to the freedom of navigation and overflight, as well as security of sea lanes of communication. The international community is called upon to cooperate to strengthen the rule of law at sea, and maintain and develop the “Open and Stable Seas” (See 2-1-2 (1), 2-1-6, and 3-1-3 (4)).

### **B North Korea's new level of threat**

North Korea has adopted a “byungjin policy” which simultaneously pursues the build-up of nuclear armed forces and economic construction. Despite repeated strong calls from the international community, including Japan, for self-restraint, North Korea went ahead with two nuclear tests, and launched more than 20 ballistic missiles in 2016. Nuclear tests and ballistic missile launches by North Korea, which are in clear violation of the relevant UN Security Council resolutions, and its strengthened capabilities poses a threat of a new level, and significantly undermine the peace and security of Northeast Asia

and the international community.

### **(3) Growing Uncertainty in International Affairs**

#### **A The issue of destabilization in the Middle East**

The Middle East is located at geopolitically important position and is an important region that supplies energy resources to the world including Japan. Its stability is crucial for the peace and stability of the international community, including Japan. On the other hand, the Middle East is facing several challenges that destabilize the region, such as the prolongation of the Syrian crisis, the existence of violent extremist organizations such as the “Islamic State of Iraq and the Levant (ISIL)” in Syria and Iraq, the occurrence of refugees and IDPs, as well as the tension between Iran and Saudi Arabia, the Middle East Peace Process, and the domestic situations of Afghanistan, Yemen, and Libya.

#### **B Growing concern over violent extremism and international terrorism**

The intense activities by international terrorist organizations continue in politically unstable regions with vulnerable governance, such as the Middle East and North Africa. In particular, ISIL continues to pose a serious threat to the international order. They abuse religious ideology to deny existing borders and nation states and recruit combatants from outside the region by propaganda through the internet and other methods. The activities of ISIL have continued to cause serious humanitarian crises including generating a large number of refugees and IDPs.

Furthermore, the threat of international terrorism has expanded beyond its

lodgment area into Europe, and the U.S. as well as Southeast Asia and South Asia regions, which are closely related to Japan geographically, politically, and economically. In July, the terrorist attack occurred in Dhaka, Bangladesh, claiming Japanese lives.

### **C** The changes in domestic politics of Europe and the U.S.

In Europe, economic disparities within the region, including debt issues and continuing high unemployment rate in the Southern European countries, remain a problem and migrants continue to move from relatively poor nations to wealthier nations within the region. Europe also faces many challenges such as the influx of migrants and refugees mainly from the Middle East and Africa, and growing threats including multiple terrorist attacks. With the background of these movements, the supporters for Brexit secured the majority in the UK's referendum in June 2016, and there is a tendency in many places in Europe of increasing support for political powers which reject the existing administration.

In the U.S., a heated election campaign unfolded in both the primary and presidential elections, with the Republican Party candidate Mr. Trump emerging victorious, garnering wide-ranging support including independent voters, under the slogan of "Make America Great Again," and "America First."

### **D** Growing uncertainty in the global economy and increased protectionism

While the modest recovery of the overall global economy continued in 2016, the impacts of the movements towards the normalization of US monetary policy,

the outlook of China and other emerging nations' economies and the uncertainty of the issue of withdrawal of the UK from the EU drew attention.

On the other hand, a growing tendency of protectionism and inward-looking sentiment against globalization and free trade were also seen in some major countries in Europe and the U.S., which affected political situations in several countries in 2016.

## **2** Japan's diplomacy

In 2016, under the Japanese G7 presidency, Japan hosted the G7 Ise-Shima Summit and the G7 Hiroshima Foreign Ministers' Meeting (See Special Feature "G7 Ise-Shima Summit & G7 Hiroshima Foreign Ministers' Meeting"). Furthermore, while serving as a non-permanent member of the United Nations Security Council (2016-2017), 2016 was a year in which Japan's diplomacy led the world, through actions such as hosting the Sixth Tokyo International Conference on African Development (TICAD VI) for the first time in Africa (See Special Feature "TICAD VI"). Japan, while making the utmost efforts for promotion of national interests in the increasingly severe international situation, will contribute to peace and prosperity of the international community and further consolidate the position of a peace-loving nation.

### **(1) Diplomacy Taking a Panoramic Perspective of the World Map and "Proactive Contribution to Peace"**

In order to create a stable and predictable international environment, which is desirable for Japan, it is important to build

trust and cooperative relationships with countries worldwide and the international community through diplomatic efforts, to strengthen the basis for stability and prosperity of the international community and to prevent the emergence of threats in advance. From such perspective, since the inauguration of the Abe administration, the Government of Japan has advanced diplomacy, from a panoramic perspective of the world map, under the policy of “Proactive Contribution to Peace” based on the principle of international cooperation.

In that context, Prime Minister Abe announced the “Free and Open Indo-Pacific Strategy” in his keynote address at TICAD VI held in Kenya in August, and stated that the “two continents,” the rapidly growing Asia and Africa, which abound in potential strength, and the dynamism born from confluence of the “two oceans,” the free and open Pacific and Indian Oceans, hold the key to stability and prosperity in the international community, and expressed Japan's intention to work toward the realization of prosperity in Asia and Africa (See Special Feature “Free and Open Indo-Pacific Strategy”).

Prime Minister Abe visited 66 countries and regions (111 countries and regions in total), and Foreign Minister Fumio Kishida has visited 49 countries and regions (86 countries and regions in total) (as of February 20, 2017). As a result, Japan's presence in the international community has steadily risen and personal trust between Prime Minister Abe and foreign leaders as well as between Foreign Minister Kishida and other foreign ministers have greatly been deepened.

From 2016 to the beginning of 2017, changes of leader took place in countries

and regions such as the UK, Italy, the Philippines, Vietnam and Taiwan, as well as in the U.S., an ally of Japan. As a stable force in the international community, Japan will continue to build relationship of trust with the new leaders, and while promoting its national interests, lead the international community for peace and prosperity of the world.

## (2) The Three Pillars of Japan's Foreign Policy

In order to protect and promote Japan's national interests, Japan intends to continuously strengthen the following three pillars of its foreign policy: (1) strengthening the Japan-U.S. Alliance, (2) enhancing relations with neighboring countries, and (3) strengthening economic diplomacy as a means of driving the growth of the Japanese economy.

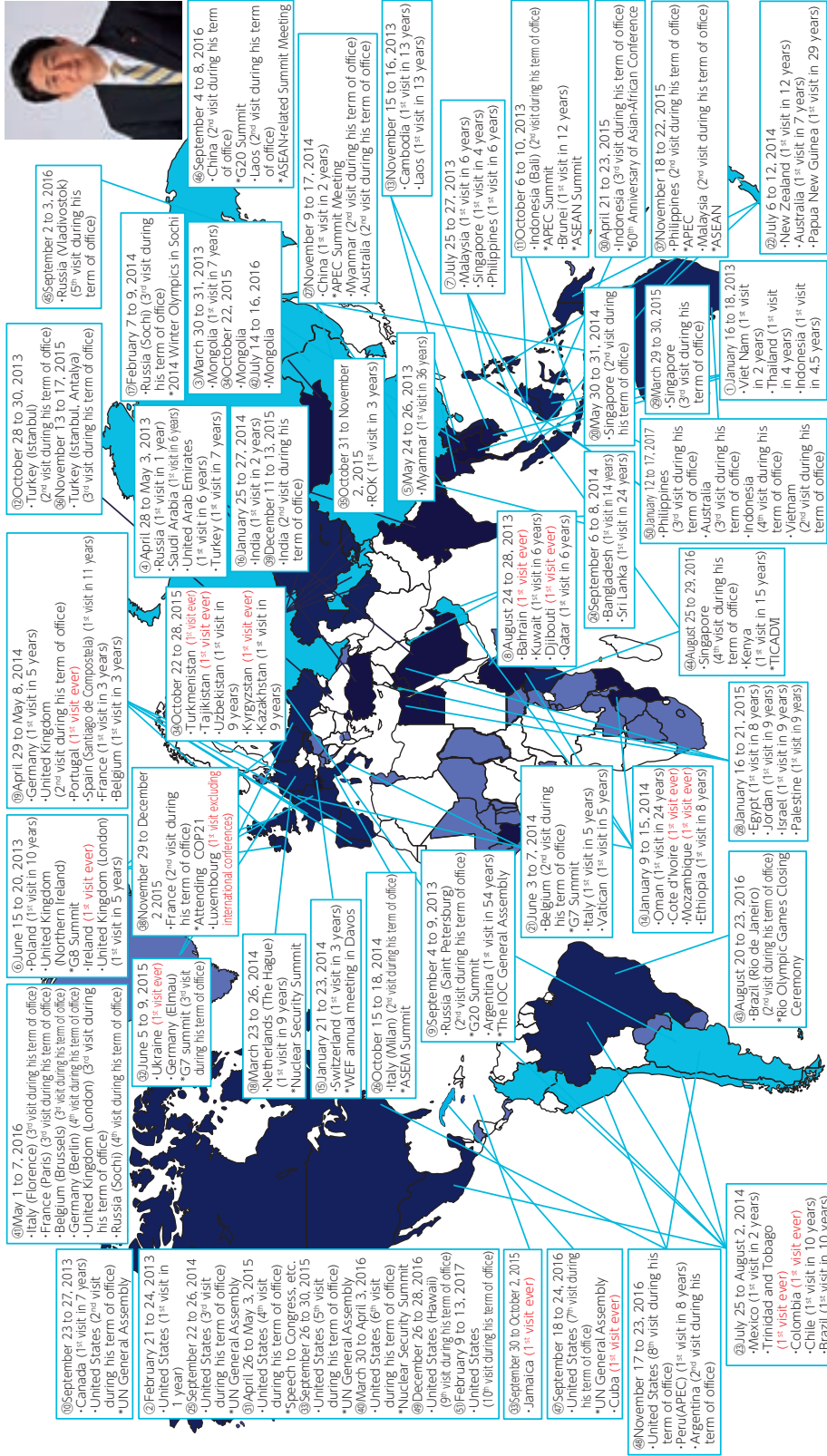
### **[Strengthening of the Japan-U.S. Alliance]**

Japan and the U.S. share fundamental values and strategic interests, and the Japan-U.S. Alliance is the linchpin of Japan's diplomacy and security. Furthermore, the presence of the U.S. in the Asia-Pacific region contributes to stability and prosperity not only for Japan and the U.S., but for the entire region and the world.

In May 2016, President Obama made the first visit as a sitting U.S. President to Hiroshima (See Special Feature “Visit by U.S. President Obama to Hiroshima”), and in December Prime Minister Abe paid a visit to Hawaii (See Special Feature “Visit by Prime Minister Abe to Hawaii”). These reciprocal visits symbolized the strength of the Japan-U.S. Alliance, and served as an opportunity to demonstrate the power of tolerance and peace between countries



Prime Minister Shinzo Abe's official visits abroad

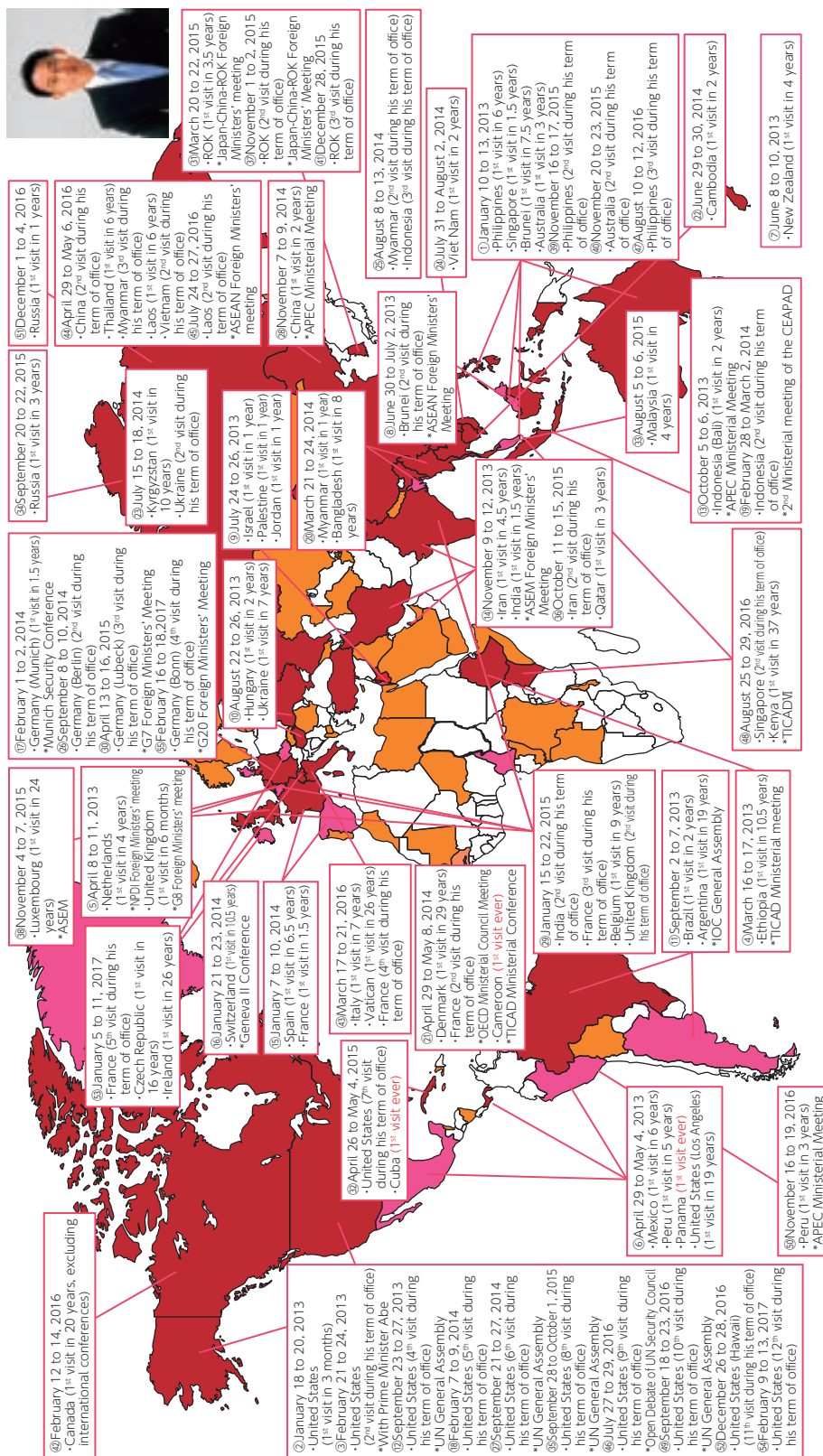


- Number of overseas trips: 51
- Number of countries/regions visited: 66 (cumulative total: 111)
- Number of countries/regions from which a national leader visited Japan: 103 (including EU)
- Prime Minister Abe's flight distance: 1,046,487 km (26.16 visits around the globe)

- Countries/regions with which mutual visits were made by national leader's
- Countries/regions to which Prime Minister Abe visited
- Countries/regions from which visits to Japan were made by a national leader

As of February 20, 2017

Foreign Minister Fumio Kishida's official visits abroad



- Number of overseas trips: 55
- Number of countries/regions visited: 49 (cumulative total: 87)
- Number of countries/regions from which a Foreign Minister visited Japan: 84 (including the EU)
- Foreign Minister Kishida's flight distance: 1,041,647 km (26.04 times around the globe)

Countries/regions with which mutual visits were made by Foreign Ministers  
 Countries/regions to which Foreign Minister Kishida visited  
 Countries/regions from which visits to Japan were made by a Foreign Minister

As of February 20, 2017

which had previously been at war. At the summit meeting held in Hawaii in December, both leaders shared the view on the importance of advancing the Japan-U.S. Alliance to an even higher level, and shared recognition of the importance of expanding the network of alliances such as the Japan-U.S.-Australia and Japan-U.S.-India alliances to preserve stability and prosperity in the region, with a free and open Indo-Pacific.

Japan, under the Legislation for Peace and Security and the new Guidelines for Japan-U.S. Defense Cooperation (the New Guidelines), is further enhancing the “seamless” deterrence and response capabilities of the Japan-U.S. Alliance, covering from peacetime to contingencies, through a wide range of consultations and coordinating mechanisms with the U.S. For example, these efforts contributed to the joint operations of the Self-Defense Forces and the U.S. forces in swift response to the Kumamoto Earthquake in April.

Reducing the burden on Okinawa is one of the most important issues for the government. In December, a major portion of the Northern Training Area in Okinawa was returned, and in January 2017, the Agreement on Cooperation with regard to the Implementation Practices relating to the Civilian Component of the U.S. Forces in Japan, Supplementary to the Status of U.S. Forces Agreement (SOFA) was signed and entered into force. Japan will continue to strive for realizing impact mitigation in Okinawa in a tangible manner, including the relocation of Marine Corps Air Station (MCAS) Futenma to Henoko as soon as possible, while maintaining deterrence of the U.S. forces.

Japan-U.S. cooperation in the economic

field is essential for further enhancement of the Japan-U.S. Alliance and the development of the global economy, as well as the invigoration of economy of both Japan and the U.S. With a cumulative balance of direct investments in the U.S. of approximately 411 billion US dollars by Japanese firms (2015), Japan ranks second after the UK, and the activities of Japanese firms have created jobs for approximately 840,000 people (2014).

Japan will continue to further strengthen the Japan-U.S. Alliance while building a close relationship with the Trump administration, which started in January 2017.

### **[Enhancing relations with neighboring countries]**

Enhancing our relations with neighboring countries constitutes an important basis for making the environment surrounding Japan stable.

The relations with China constitute one of Japan's most important bilateral relationships. It is important that both countries build a cooperative relationship in the region and international community under the “Mutually Beneficial Relationship based on Common Strategic Interests.” In 2016, summit meetings were held at the ASEM held in Mongolia in July, the G20 Hangzhou Summit held in China in September, and the APEC Economic Leaders' Meeting held in Peru in November, and Foreign Minister Kishida visited China from April to May. Through these bilateral talks, Japan and China shared the view that they will both make efforts to improve the overall Japan-China relationship, while expanding and strengthening the affirmative aspects of the Japan-China

relationship, and appropriately dealing with unresolved issues. Meanwhile, Japan continues to respond in a firm but calm manner while making claims that should be made in dealing with repeated intrusions by Chinese government-owned vessels into Japan's territorial waters around the Senkaku Islands and its unilateral resource development in the East China Sea.

The ROK is Japan's most important neighbor which shares strategic interests with Japan. In 2016 there were frequent communications at the summit and foreign minister levels, and at all of the summit and foreign minister meetings, both sides shared the view that they would take responsibility to implement the agreement relating to the issue of comfort women made at the end of 2015. On the other hand, the installation of the comfort woman statue on the sidewalk in front of the Consulate-General of Japan in Busan in the end of 2016 is extremely regrettable, and Japan has conveyed its position to the ROK on various occasions, including the foreign ministers' meeting in February 2017. While continuing to tenaciously take every opportunity to request the ROK to steadily implement the agreement, it is important for Japan to deepen its cooperative relationship with the ROK in a wide range of areas, including security, and to move toward developing Japan-ROK relations into a new era of future-oriented era based on mutual trust.

Furthermore, the Japan-China-ROK trilateral cooperative process is highly significant, and as the chair country, Japan hosted the Japan-China-ROK Trilateral Foreign Ministers' Meeting in August.

With Russia, high-level political dialogues and mutual visits took place, including two visits to Russia by Prime Minister Abe,

and a visit to Japan by President Putin in December (See Special Feature "Visit to Japan by President Putin"). Regarding the Northern Territories Issue, which is the greatest concern between Japan and Russia, both leaders shared their common recognition in the summit meeting in May (in Sochi, Russia) that they would continue the negotiation tenaciously under the "New Approach," and in the summit meeting in December they decided to start the discussion regarding joint economic activities under a special framework on the Four Northern Islands. Both leaders also decided to improve the procedures for the former island residents to visit their hometowns more freely. Japan will continue negotiations persistently under the "New Approach" in order to resolve the issue of the attribution of the Four Northern Islands. Furthermore, Japan will also call on Russia to fulfill a constructive role in a wide range of international issues, and continue cooperating with the G7 on the sanctions against Russia regarding the situation in Ukraine.

The nuclear tests and repeated ballistic missile launches by North Korea pose a new level of threat, and are totally unacceptable. Under its policy of "dialogue and pressure" and "action for action", Japan will continue to work toward the comprehensive resolution of the outstanding issues of concern, such as the abductions, nuclear and missile issues based on the Japan-DPRK Pyongyang Declaration. Japan will continue to closely work with relevant countries, including the U.S. and the ROK, and urge North Korea to refrain from further provocations and comply with the Joint Statement of the Six-Party Talks and the relevant UN Security Council resolutions.

The issue of abductions by North Korea is not only a critical issue concerning the sovereignty of Japan as well as the lives and safety of Japanese citizens but also a universal matter of the entire international community as it constitutes a violation of fundamental human rights. Japan will closely cooperate with relevant countries, including the U.S., and will make its utmost efforts toward its resolution, as the most important foreign policy agenda.

In light of the increasingly severe security environment, it is essential to deepen cooperative relations with partners sharing such values as freedom and democracy in the Asia-Pacific region.

Japan and Australia share fundamental values and strategic interests based on a “Special Strategic Partnership.” Japan will steadily strengthen its cooperation with Australia in a wide range of areas, including security, economy, and regional affairs.

With regard to India, summit meetings were held three times, including the one during Prime Minister Modi’s visit to Japan in November, and with the signing of Japan-India Nuclear Cooperation Agreement and the steady progress of the high-speed railway plan, great strides were made in the “new era in Japan-India relations.”

The further integration, prosperity, and stability of the Association of Southeast Asian Nations (ASEAN) is vital for the peace and stability of the region. Japan will continue to support the centrality and unity of ASEAN, and strengthen its relationship with ASEAN and each of the ASEAN countries.

In addition, while utilizing regional frameworks such as the European Union (EU) and the North Atlantic Treaty Organization (NATO), Japan continues

to strengthen its relationship with Europe in a multilayered approach. Japan also continues to promote security and defense cooperation with the UK, France, Germany and Italy. Furthermore, Japan continues to strengthen relationship with the Pacific island countries, Central Asia, and Latin America and the Caribbean as well.

### **【Promoting economic diplomacy as a means of driving the growth of the Japanese economy】**

In 2016, the Government of Japan advanced economic diplomacy from the three aspects of: (1) rulemaking to strengthen a free and open international economic system, (2) supporting Japanese companies’ overseas business expansion by promoting public-private cooperation, and (3) promoting resource diplomacy and attracting investment and tourists.

For Japan, which has promoted economic growth on the basis of free trade, it is critically important to maintain and develop the open, stable and rules-based international economic order. In the G7 Ise-Shima Summit and the G20 Hangzhou Summit, Japan appealed for the need to take all policy measures including monetary, fiscal and structural policies, and led the consensus-building efforts among the leaders of G7 and G20. Furthermore, as the pressure of protectionism continues to increase, Japan led the discussions on free-trade and inclusive growth through frameworks such as the World Trade Organisation (WTO), the Asia-Pacific Economic Cooperation (APEC), and the Organization for Economic Cooperation and Development (OECD).

Regarding the Trans-Pacific Partnership (TPP) Agreement signed in February

2016 as an initiative to promote free trade, in January 2017, ahead of other countries, Japan notified New Zealand, which is designated as the Depository of the Agreement of the Diet approval in December 2016 and completion of Japan's domestic procedures. Japan will continue seeking agreement in principle on the Japan-EU Economic Partnership Agreement (EPA) as early as possible, and will vigorously pursue negotiations for the Regional Comprehensive Economic Partnership (RCEP) and the Japan-China-ROK Free Trade Agreement in parallel.

Regarding support for Japanese companies overseas, the ministry has proactively carried out activities such as offering counseling to Japanese companies, working to sell Japanese infrastructure and technologies overseas in public-private efforts, and holding events to promote Japanese products, at diplomatic missions overseas with the goal of having the "Most Open Diplomatic Missions in the World." Regarding the import restrictions in response to the Great East Japan Earthquake and Fukushima Daiichi Nuclear Power Plant accident, Japan has been sharing correct information in a quick manner and making efforts for the relaxation and abolition of restrictions based on scientific evidences with the government of relevant countries.

In the area of resources, in addition to making efforts to secure a stable supply of resources and food, Japan led international discussions on energy, mineral resources and food security in 2016 as the presidency of the G7, and hosted the Meeting of the Energy Charter Conference as the first chair from East Asia in November, and made outreach efforts of the Energy Charter Treaty, which aims to promote trade

and transit liberalization and investment protection in the energy sector.

Regarding foreign tourists, Japan is working to promote visits to Japan through strategic relaxation of visa requirements and by promoting the attractions of Japan, and achieved 24 million overseas visitors to Japan in 2016, with 3.7 trillion yen spent on consumption.

### (3) Response to Global Issues

The issues of disarmament and non-proliferation, peace-building, sustainable development, risk reduction, climate change, human rights, women's empowerment, and the consolidation of the rule of law are related to the peace, stability and prosperity of the international community, including Japan. These issues cannot be solved by one country alone, and require a united response by the international community, and the initiatives for these issues are one critical part of Japan's "Proactive Contribution to Peace" initiative.

#### **[Contribution to realizing a human centered society]**

In order to take care of socially vulnerable people in the international community with respect for the universal values of human rights and fundamental freedoms, and realize a society where individuals can make the most use of their potential, Japan is advancing international contributions under the notion of "human security."

#### **<2030 Agenda for Sustainable Development>**

The "2030 Agenda for Sustainable Development (the 2030 Agenda)" adopted in September 2015 lays out a set of "Sustainable Development Goals (SDGs)" which are to be undertaken by all countries, and 2016 marked the starting year of

their implementation. In May, the SDGs Promotion Headquarters, headed by Prime Minister Abe, was established in Japan, and with actions such as the formulation of the implementation guidelines for SDGs in December, the implementation is steadily advancing.

#### 〈Toward a society where women shine〉

The third World Assembly for Women (WAW! 2016) was held in December, gathering leaders of various fields surrounding women from diverse countries and international organizations. A proposal was sent out as “WAW! To Do 2016”, after the discussion, and is to be distributed as a UN document (A/71/829).

#### 〈Human rights〉

Human rights and fundamental freedom are universal values, and their preservation serves as the cornerstone of peace and stability in the international community. In this field, Japan proactively participates in bilateral dialogues and a number of multinational fora such as the UN and makes contributions including constructive dialogue with the UN human rights mechanisms in order to improve the human rights situation globally.

#### 〈Global Health〉

Health holds an important position when considering “human security.” Based on the “Basic Design for Peace and Health” decided in September 2015 and discussions at international conferences such as the G7 Ise-Shima Summit, Japan is working to enhance health systems, starting with the promotion of Universal Health Coverage (UHC) that ensures affordable access to basic health services for all whenever they need them throughout their lives, which serves to strengthen responsive capability for public health emergencies, and help

prepare for potential threats.

#### 【Contribution to prosperity】

##### 〈Development Cooperation Charter and ODA Utilization〉

Under the Development Cooperation Charter decided by the Cabinet in February 2015, Japan has been making proactive and strategic utilization of Official Development Assistance (ODA) in order to contribute to the peace, stability, and prosperity of the international community and to secure Japan's national interests through them.

##### 〈TICAD VI〉

Since 1993, Japan has taken the initiative to support the development of Africa through the Tokyo International Conference on African Development (TICAD). In August 2016, Japan hosted TICAD VI in Nairobi, Kenya, which resulted to be the first TICAD Summit held in Africa.

##### 〈Quality Infrastructure〉

For the economic growth of developing countries, it is essential that the fruits of growth be spread throughout society and that development be sustainable in harmony with society and environment and highly resilient against shocks such as economic crises and natural disasters. Japan is leveraging its strengths in human resource development and technology transfer to put in place the development of quality infrastructure which supports “quality growth.”

The “G7 Ise-Shima Principles for Promoting Quality Infrastructure Investment” were endorsed at the G7 Ise-Shima Summit, and Japan announced the “Expanded Partnership for Quality Infrastructure” which would provide financing of approximately 200 billion US dollars in the next five years to infrastructural projects across the world.

At TICAD VI, Japan committed to carry out approximately 10 billion US dollars of quality infrastructure investments in Africa over three years from 2016 to 2018.

#### 〈Climate Change〉

The “Paris Agreement” is a fair and effective framework that provides for the setting and submission of greenhouse gas emission reduction goals by each country independently, with no distinction between developing and developed countries, and for the implementation of initiatives toward the achievement of these goals. Regarding the Agreement, Japan will continue to work on the formulation of the relevant guidelines which enhance the transparency of each country's greenhouse gas emission reductions to ensure the achievement of effective greenhouse gas emission reductions by all countries.

#### 〈Utilizing science and technology for diplomacy〉

Ministry of Foreign Affairs (MOFA) is advancing initiatives which utilize the power of science and technology in diplomacy in both bilateral relationships and multinational frameworks. The Science and Technology Advisor to the Minister for Foreign Affairs is gathering domestic expertise through the Advisory Board for the Promotion of Science and Technology Diplomacy for which he serves as chairman, while advising the Minister for Foreign Affairs and relevant departments on the use of science and technology in diplomatic areas as well as promoting public relations and networking overseas.

#### 【Contribution to peace】

##### 〈Proactive initiatives for disarmament and non-proliferation〉

As the only country to have ever

suffered atomic bombings, Japan is leading international efforts in disarmament and non-proliferation to realize “a world free of nuclear weapons” through promoting cooperation between nuclear-weapon States and non-nuclear-weapon States and is building up realistic and practical measures, including the Treaty on the Non-Proliferation of Nuclear Weapons (NPT).

“The Hiroshima Declaration on nuclear disarmament and non-proliferation” was issued at the G7 Hiroshima Foreign Ministers' Meeting in April, delivering a strong message towards “a world free of nuclear weapons.” The US President Obama visited Hiroshima in May. Both events served to revitalize international momentum to realize a world free of nuclear weapons. In December, the “International Conference in Nagasaki-towards a world free of nuclear weapons” was held in Nagasaki, the site of an atomic bombing, inviting government officials, experts and youth from various countries around the world to hold discussions toward the realization of “a world free of nuclear weapons.”

##### 〈Promotion of international peace cooperation〉

Japan has placed importance on cooperating in UN Peace Keeping Operations (PKOs) from the standpoint of “Proactive Contribution to Peace” based on the principle of international cooperation, and currently has dispatched staff officers since 2011, and engineering units which have carried out site maintenance within UN facilities, road repair outside of UN facilities and other activities since 2012 to the UN Mission in the Republic of South Sudan (UNMISS). While continuously dispatching necessary personnel, in



November 2016 the Cabinet decided to revise the Implementation Plan authorizing a mission of so-called “Kaketsuke-Keigo” (coming to the aid of geopolitically distant unit or personnel under attack). In March 2017, it was decided to end the activities of the Engineering Unit among the dispatched personnel by the end of May.

#### 〈Stabilization of the Middle East〉

To achieve stability in the Middle East, Japan is urging related countries to fulfill constructive roles, while providing support to resolve the fundamental causes of the issues.

#### 〈Measures against violent extremism〉

Against the threat of the expansion of terrorism and violent extremism, Japan is strengthening international cooperation particularly in the field of border control as well as the building up of moderate societies in Asia, and comprehensively combating terrorism and violent extremism, including by collecting information through International Counter-Terrorism Intelligence Collection Units. In line with the final report summarizing Japan's new safety measures, compiled after the July 2016 terrorist attack in Dhaka, Japan continues to strengthen the measures to secure the safety of those working on international cooperation projects. Japan also reinforces safety measures for Japanese companies operating overseas including small and medium enterprises, educational institutions and overseas Japanese including students.

#### 〈Proactive efforts to strengthen the rule of law〉

Japan is working to maintain and promote the “Open and Stable Seas” based on the “Three Principles of the Rule of Law at Sea.” Furthermore, Japan is strengthening

its cooperation with various countries by actively participating in initiatives to ensure the security of sea lanes of communication through anti-piracy measures off the coast of Somalia and in the Gulf of Aden as well as Asia, international rule-making to strengthen the rule of law in outer space and cyberspace, as well as the efforts of the international community regarding the Arctic.

#### 〈Strengthening cooperation with the UN and other organizations and UN security reform〉

Japan has been serving as a member of the UN Security Council for two years from 2016 to 2017 after being elected as a non-permanent member of the Security Council for the 11th time, which is more than any other UN Member States. Furthermore, 2016 marked the 60th anniversary of Japan's membership in the UN, and various related memorial ceremonies were held both in Japan and abroad.

In order to advance comprehensive UN Security Council reform, to make the UN better reflect the reality of the international community and better respond to challenges, Japan, as a member of the G4, will continue to closely cooperate with reform-oriented countries toward an early realization of the reform.

Furthermore, in response to the issues addressed by the UN and other international organizations, Japan is making intellectual and personnel contributions through active roles of Japanese staff in addition to financial contributions, and is making efforts to increase the number of Japanese nationals working in international organizations.

#### (4) Strengthening Strategic Communication and the Foreign Policy Implementation Structure

##### **【Communications】**

Public understanding and support both domestically and from the international community are indispensable for the implementation of Japan's foreign policy. Sharing Japan's various charms, such as culture and food, serves to increase understanding for Japan in the international community, and is also important in the economic aspect such as tourism and exports. Particularly in regard to sharing the attractiveness of Japan's regional areas, MOFA is working to promote such attractiveness from "Local to Global," and attract tourists and domestic investment from "Global to Local".

In 2016, MOFA worked on provision of information utilizing various methods including through MOFA websites and social media for both within Japan and abroad. Efforts are also proceeding to establish the "Japan Houses" in London, Los Angeles and São Paulo, which promote Japan's attractiveness through an All-Japan initiative.

##### **【Strengthening the foreign policy implementation structure】**

As we continue to face wide-ranging diplomatic issues, it is essential to further expand the foreign policy implementation structure, which serves as the foundation of diplomacy, and MOFA continues its efforts to enhance its comprehensive foreign policy implementation structure. While continuing its streamlining efforts, MOFA will make efforts to further reinforce the diplomatic missions overseas and its personnel structure accounting for both

quantity and quality, as well as to engage in capacity development for its diplomats in order to ensure a level of foreign policy implementation structure that is comparable to those of other major countries.

Special  
Feature

## The G7 Ise-Shima Summit &amp; G7 Hiroshima Foreign Ministers' Meeting

The G7 shares the basic values of freedom, democracy, human rights and the rule of law, and has jointly demonstrated leadership in addressing issues faced by the international community, such as downside risk of the global economy. Holding the presidency of the G7 serves as an important opportunity for Japan to promote its contributions and efforts, appeal, and strengths to the international community, as well as to develop an economic and political international environment that is desirable for Japan. Japan hosted the G7 Ise-Shima Summit on May 26 and 27, 2016 in Mie Prefecture as the presidency of the G7. The Ise-Shima Summit marked the 42nd Summit since the Rambouillet Summit, and according to the annually rotating presidency, it was Japan's sixth time to host the Summit, following 1979 (Tokyo), 1986 (Tokyo), 1993 (Tokyo), 2000 (Kyushu, Okinawa) and 2008 (Toyako, Hokkaido).

Regarding the global economy, which was the most important theme of the Ise-Shima Summit, in the presence of risks such as the downturn in crude oil prices, the slowdown in the emerging economies and the UK's exit from the EU, the G7 reaffirmed the importance of using all policy tools —monetary, fiscal and structural— in order to avoid falling into another crisis. Candid discussions were held among the G7 leaders on topics in which Japan has taken the leading role: quality infrastructure investment, health, and a society in which women can actively engage; various issues faced by the world, such as terrorism, the refugee crisis, climate change and sustainable development; and furthermore as the first summit held in Asia in eight years, the situations in the Asia-Pacific, including



G7 leaders' visit to Ise-Jingu Shrine (May 26, Mie Prefecture (Ise-Jingu Shrine))



A scene from the G7 Ise-Shima Summit (May 27, Mie Prefecture)



Group photo of the Heads of G7 and outreach countries (May 27, Mie Prefecture)

North Korea, and the maritime security of the East and South China Sea, making the Ise-Shima Summit a great success.

The G7 leaders were welcomed amidst the dignified atmosphere of Ise-Jingu Shrine, and in addition to serving meals centered around locally sourced ingredients from Mie Prefecture, famed Japanese sake from Mie Prefecture and the disaster-affected areas, and Japanese wines were also provided. Furthermore, the latest technologies and initiatives aligned with the theme of the Ise-Shima Summit were introduced at the International Media Center, and other activities were also undertaken to fully share the unique charms and strengths of Japan with the world.

At the G7 Hiroshima Foreign Ministers' Meeting held in April, ahead of the Ise-Shima Summit, discussions were held on pressing issues faced by the international community, such as terrorism and violent extremism, the refugee issue, disarmament and non-proliferation, and maritime security, as well as regional affairs such as North Korea, the Middle East and Ukraine, resulting in the G7 Foreign Ministers' Meeting Joint Communiqué, the G7 Foreign Ministers' Hiroshima Declaration on Nuclear Disarmament and Non-Proliferation, the G7 Foreign Ministers' Statement on Maritime Security, and the G7 Statement on Non-proliferation and Disarmament. Furthermore, after the first ever visit of the G7 foreign ministers, which includes nuclear-weapon States, to the Hiroshima Peace Memorial Museum, the ministers laid wreaths at the Cenotaph for the Atomic Bomb Victims, and by U.S. Secretary of State Kerry's proposal, they made an impromptu visit to the Atomic Bomb Dome, and sent a strong message to the international community as the G7 from Hiroshima, which symbolizes the resurrection of "peace" and "hope" after the dropping of the atomic bomb.

In addition to introducing the G7 foreign ministers to the Itsukushima Shrine, a World Heritage Site, Japan's history and food culture was also effectively introduced and advertised in the G7 Foreign Ministers' Meeting through a vivid menu made with the bountiful ingredients of Hiroshima's various regions, and a wide array of Japanese sakes, Japanese wines, and Japan made whiskeys centered around those produced in Hiroshima prefecture.

In addition to the G7 Hiroshima Foreign Ministers' Meeting, ten ministerial meetings were held at locations throughout Japan: the Agriculture Ministers' Meeting in Niigata City, and the ICT Ministers' Meeting in Takamatsu City in April, the Energy Ministerial Meeting in Kitakyushu City, the Education Ministers' Meeting in Kurashiki City, the Environment Ministers' Meeting in Toyama City, the Science and Technology Ministers' Meeting in Tsukuba City, the Finance Ministers and Central Bank Governors' Meeting in Sendai City in May, and after the Ise-Shima Summit, the Health Ministers' Meeting in Kobe City, and the Transport Ministers' Meeting in Karuizawa Town in September. At each of these ministerial meetings, the responsible G7 ministers held meaningful discussions on the various issues faced by the international community, and also appreciated the beautiful nature of Japan, and the appeal of the bountiful cultures and traditions of the various regions in Japan.



G7 Foreign Ministers' visit to the Hiroshima Peace Memorial Museum and laying wreaths at the Cenotaph for the Atomic Bomb Victims (April 11, Hiroshima Prefecture)



The G7 Foreign Ministers' Meeting (April 11, Hiroshima Prefecture)

The G7 holds the responsibility to present prescriptions for a wide range of issues faced by the international community from a global perspective, and each member country has the responsibility to practice those prescriptions. The Ise-Shima Summit is positioned as the highlight of Japan's 2016 diplomacy, and while Japan was able to host the summit to a successful conclusion by gathering every available diplomatic resource, it is critical to turn the determination of the G7 displayed at the Ise-Shima Summit into visible actions. For that purpose, Japan will continue to make meaningful contributions.

Special  
Feature

## Visit by U.S. President Obama to Hiroshima

On May 27, 2016, President Obama of the United States of America, accompanied by Prime Minister Abe, visited Hiroshima, as the first sitting U.S. President to visit the city.

After arriving at the Hiroshima Peace Memorial Park, President Obama was welcomed by Prime Minister Abe, and then greeted, in front of the Hiroshima Peace Memorial Museum, by Foreign Minister Kishida, Governor of Hiroshima Prefecture, Hidehiko Yuzaki, and Mayor of Hiroshima City, Kazumi Matsui. While at the museum, Minister Kishida gave an overview of the museum and explanations of its exhibits, including Sadako Sasaki's folded paper cranes. President Obama listened attentively to Minister Kishida's explanations while looking intently at the exhibits. Subsequently, the President personally handed folded paper cranes to two local Hiroshima children and explained to them that he had folded them by himself, with a little help. Prime Minister Abe and President Obama signed the guest book respectively, and President Obama placed two more folded paper cranes beside it.

Afterwards, in a solemn atmosphere, the two leaders proceeded to the Cenotaph for the Atomic Bomb Victims, led by Governor Yuzaki, Mayor Matsui, Minister Kishida, and Ambassador of the United States of America to Japan, Caroline Kennedy. There, the leaders were handed wreaths by Hiroshima high-school students who have been commissioned as "Youth Communicators for a World without Nuclear Weapons," and first, President Obama and then, Prime Minister Abe laid the wreath and offered a silent prayer.

President Obama, followed by Prime Minister Abe, then delivered a statement. Powerful messages on realizing "a world free of nuclear weapons" were stated by the leader of the only country to have used nuclear weapons and the leader of the only country to have ever suffered atomic bombings in war. After the statements were delivered, President Obama walked over



Laying wreaths at the Cenotaph for the Atomic Bomb Victims (May 27, Hiroshima Prefecture, Photo: Cabinet Public Relations Office)



The two leaders meeting with atomic bomb survivors (May 27, Hiroshima Prefecture)



Viewing the Atomic Bomb Dome (May 27, Hiroshima Prefecture)

to atomic bomb survivors, Mr. Sunao Tsuboi and Mr. Shigeaki Mori, exchanged words with each of them and also exchanged a warm embrace with Mr. Mori.

The two leaders proceeded toward the Atomic Bomb Dome. They viewed the dome from the Flame of Peace's north side, and Minister Kishida provided an explanation. President Obama listened attentively to Minister Kishida's explanation that the Atomic Bomb Dome was designated a World Heritage Site in 1996 and is a symbol of the bombsite. Minister Kishida also told President Obama about the Children's Peace Monument and the folded cranes that have been sent from around the world, which were located immediately in front of them.

President Obama's visit to Hiroshima was the first visit by a sitting U.S. President and it was an extremely important historic event in terms of commemorating the war dead and revitalizing international momentum for realizing a world free of nuclear weapons. At the same time, the visit symbolized the strength of the U.S.-Japan Alliance, an "Alliance of Hope," which has been built up over more than 70 years since the war.

## Remarks by President Obama and Prime Minister Abe of Japan at Hiroshima Peace Memorial

PRESIDENT OBAMA: Seventy-one years ago, on a bright, cloudless morning, death fell from the sky and the world was changed. A flash of light and a wall of fire destroyed a city and demonstrated that mankind possessed the means to destroy itself.

Why do we come to this place, to Hiroshima? We come to ponder a terrible force unleashed in a not so distant past. We come to mourn the dead, including over 100,000 in Japanese men, women and children; thousands of Koreans; a dozen Americans held prisoner. Their souls speak to us. They ask us to look inward, to take stock of who we are and what we might become.

It is not the fact of war that sets Hiroshima apart. Artifacts tell us that violent conflict appeared with the very first man. Our early ancestors, having learned to make blades from flint and spears from wood, used these tools not just for hunting, but against their own kind. On every continent, the history of civilization is filled with war, whether driven by scarcity of grain or hunger for gold; compelled by nationalist fervor or religious zeal. Empires have risen and fallen. Peoples have been subjugated and liberated. And at each juncture, innocents have suffered, a countless toll, their names forgotten by time.

The World War that reached its brutal end in Hiroshima and Nagasaki was fought among the wealthiest and most powerful of nations. Their civilizations had given the world great cities and magnificent art. Their thinkers had advanced ideas of justice and harmony and truth. And yet, the war grew out of the same base instinct for domination or conquest that had caused conflicts among the simplest tribes; an old pattern amplified by new capabilities and without new constraints. In the span of a few years, some 60 million people would die -- men, women, children no different than us, shot, beaten, marched, bombed, jailed, starved, gassed to death.

There are many sites around the world that chronicle this war -- memorials that tell stories of courage and heroism; graves and empty camps that echo of unspeakable depravity. Yet in the image of a mushroom cloud that rose into these skies, we are most starkly reminded of humanity's core contradiction; how the very spark that marks us as a species -- our thoughts, our imagination, our language, our tool-making, our ability to set ourselves apart from nature and bend it to our will -- those very things also give us the capacity for unmatched destruction.

How often does material advancement or social innovation blind us to this truth. How easily we learn to justify violence in the name of some higher cause. Every great religion promises a pathway to love and peace and righteousness, and yet no religion has been spared from believers who have claimed their faith as a license to kill. Nations arise, telling a story that binds people together in sacrifice and cooperation, allowing for remarkable feats, but those same stories have so often been used to oppress and dehumanize those who are different.

Science allows us to communicate across the seas and fly above the clouds; to cure disease and understand the cosmos. But those same discoveries can be turned into ever-more efficient killing machines.

The wars of the modern age teach this truth. Hiroshima teaches this truth. Technological progress without an equivalent progress in human institutions can doom us. The scientific revolution that led to the splitting of an atom requires a moral revolution, as well.

That is why we come to this place. We stand here, in the middle of this city, and force ourselves to imagine the moment the bomb fell. We force ourselves to feel the dread of children confused by what they see. We listen to a silent cry. We remember all the innocents killed across the arc of that terrible war, and the wars that came before, and the wars that would follow.

Mere words cannot give voice to such suffering, but we have a shared responsibility to look directly into the eye of history and ask what we must do differently to curb such suffering again. Someday the voices of the hibakusha will no longer be with us to bear witness. But the memory of the morning of August 6th, 1945 must never fade. That memory allows us to fight complacency. It fuels our moral imagination. It allows us to change.

And since that fateful day, we have made choices that give us hope. The United States and Japan forged not only an alliance, but a friendship that has won far more for our people than we could ever claim through war. The nations of Europe built a Union that replaced battlefields with bonds of commerce and democracy. Oppressed peoples and



nations won liberation. An international community established institutions and treaties that worked to avoid war and aspire to restrict and roll back, and ultimately eliminate the existence of nuclear weapons.

Still, every act of aggression between nations; every act of terror and corruption and cruelty and oppression that we see around the world shows our work is never done. We may not be able to eliminate man's capacity to do evil, so nations -- and the alliances that we've formed -- must possess the means to defend ourselves. But among those nations like my own that hold nuclear stockpiles, we must have the courage to escape the logic of fear, and pursue a world without them.

We may not realize this goal in my lifetime. But persistent effort can roll back the possibility of catastrophe. We can chart a course that leads to the destruction of these stockpiles. We can stop the spread to new nations, and secure deadly materials from fanatics.

And yet that is not enough. For we see around the world today how even the crudest rifles and barrel bombs can serve up violence on a terrible scale. We must change our mindset about war itself -- to prevent conflict through diplomacy, and strive to end conflicts after they've begun; to see our growing interdependence as a cause for peaceful cooperation and not violent competition; to define our nations not by our capacity to destroy, but by what we build.

And perhaps above all, we must reimagine our connection to one another as members of one human race. For this, too, is what makes our species unique. We're not bound by genetic code to repeat the mistakes of the past. We can learn. We can choose. We can tell our children a different story -- one that describes a common humanity; one that makes war less likely and cruelty less easily accepted.

We see these stories in the hibakusha -- the woman who forgave a pilot who flew the plane that dropped the atomic bomb, because she recognized that what she really hated was war itself; the man who sought out families of Americans killed here, because he believed their loss was equal to his own.

My own nation's story began with simple words: All men are created equal, and endowed by our Creator with certain unalienable rights, including life, liberty and the pursuit of happiness. Realizing that ideal has never been easy, even within our own borders, even among our own citizens.

But staying true to that story is worth the effort. It is an ideal to be strived for; an ideal that extends across continents, and across oceans. The irreducible worth of every person, the insistence that every life is precious; the radical and necessary notion that we are part of a single human family -- that is the story that we all must tell.

That is why we come to Hiroshima. So that we might think of people we love -- the first smile from our children in the morning; the gentle touch from a spouse over the kitchen table; the comforting embrace of a parent -- we can think of those things and know that those same precious moments took place here seventy-one years ago. Those who died -- they are like us. Ordinary people understand this, I think. They do not want more war. They would rather that the wonders of science be focused on improving life, and not eliminating it.

When the choices made by nations, when the choices made by leaders reflect this simple wisdom, then the lesson of Hiroshima is done.

The world was forever changed here. But today, the children of this city will go through their day in peace. What a precious thing that is. It is worth protecting, and then extending to every child. That is the future we can choose -- a future in which Hiroshima and Nagasaki are known not as the dawn of atomic warfare, but as the start of our own moral awakening. (Applause.)

The original text: The White House

## Remarks by Prime Minister Abe during the visit to Hiroshima with President Obama of the United States

Last year, 70 years after the end of the war, I visited the United States and delivered an address, as the Prime Minister of Japan, at a Joint Meeting of the U.S. Congress.

Many American youngsters were deprived of their dreams and futures because of that war.

I offered my eternal condolences to the souls of all American people who were lost during World War II, reflecting upon such harsh history.

And I expressed gratitude and respect for all the people in both Japan and the United States who have committed themselves to reconciliation for the past 70 years.

70 years later, enemies that had fought each other so fiercely have become friends bonded in spirit, and have become allies bound in deep trust and friendship between us. The Japan-U.S. Alliance, which came to the world in this way, has to be an alliance of hope for the world. So I appealed in my address.

One year has passed since then.

This time, President Obama, for the first time as the leader of the United States, paid a visit to Hiroshima, a city that suffered from an atomic bombing.

The US President witnessed the realities of atomic bombings and renewed his determination for “a world free of nuclear weapons”.

This gave a great “hope” to people all around the world who have never given up their hope for “a world free of nuclear weapons”.

I would like to give a wholehearted welcome to this historic visit which had been awaited not only by the people of Hiroshima, but also by all the Japanese people.

I express my sincere respect for the decision and courage of President Obama.

With his decision and courage, we are making a new chapter to our history of the reconciliation of Japan and the United States and trust and friendship.

A few minutes ago, together, President Obama and I offered our deepest condolences for all those who lost their lives during World War II, and also by the atomic bombings.

71 years ago, in Hiroshima and in Nagasaki respectively, a number of innocent citizens were lost to a single atomic bomb without any mercy.

Each one of them had his or her life, dream and beloved family.

When I reflect on this sheer fact, I cannot help feeling painful grief.

Even today, there are victims who are still suffering unbearably from the bombings.

There are feelings of those who went through unimaginable tragic experiences, indeed, in this city, 71 years ago.

It is utterly unspeakable.

Through their minds, various feelings might come and go. But, of these, this must be in common.

“At any place in the world, this tragedy must not be repeated again.”

It is the “responsibility of us who live in the present” to firmly inherit this deep “feeling”.

We are determined to realize “a world free of nuclear weapons”.

No matter how long and how difficult the road will be, it is the “responsibility of us who live in the present” to

continue to make efforts.

The children who were born on that unforgettable day lit the “light”, hoping for permanent peace.

It is the “responsibility of us who live in the present” to make every effort for the peace and prosperity of the world, vowing for this “light”.

We will surely fulfill our responsibility.

Japan and the United States will together become a “light to bring hope” to the people in the world.

Standing in this city, I am firmly determined, together with President Obama.

This is the “only way” to respond to the feelings of countless spirits, who were the victims of the atomic bombings in Hiroshima and Nagasaki.

I am truly convinced.

Provisional translation: Prime Minister of Japan and His Cabinet

### Special Feature

## Free and Open Indo-Pacific Strategy

Prime Minister Abe announced the “Free and Open Indo-Pacific Strategy” at TICAD VI held in Kenya from August 27 to 28.

“What will give stability and prosperity to the world is none other than the enormous liveliness brought forth through the union of two free and open oceans and two continents. Japan bears the responsibility of fostering the confluence of the Pacific and Indian Oceans and of Asia and Africa into a place that values freedom, the rule of law, and the market economy, free from force or coercion, and making it prosperous. Japan wants to work together with you in Africa in order to make the seas that connect the two continents into peaceful seas that are governed by the rule of law. That is what we wish to do with you. The winds that traverse the ocean turn our eyes to the future. The supply chain is already building something quite like an enormous bridge between Asia and Africa, providing industrial wisdom. The population in Asia living in democracies is more numerous than that of any other region on Earth. Asia has enjoyed growth on the basis of the democracy, rule of law, and market economy that has taken root there. It is my wish that the self-confidence and sense of responsibility spawned there as a result come to envelop the entirety of Africa together with the gentle winds that blow here.”



Prime Minister Abe giving his keynote address at TICAD VI (August 27, Kenya, Photo: Cabinet Public Relations Office)

Japan considers the key to the stability and prosperity of the international community to be the dynamism created by the synergy between the “two continents” — Asia, which

is recording remarkable growth, and Africa, which is full of potentials — and two free and open seas — the Pacific and the Indian Oceans. By regarding these continents and seas as an integrated region, Japan intends to open up a new frontier of Japanese diplomacy. This strategy is based on the consistent conclusion of the Abe Cabinet that free and open seas are the source of peace and prosperity in the world.

Democracy, the rule of law and the market economy have already taken root in Southeast Asia and South Asia, and self-confidence, responsibility and leadership have been awakened. Japan intends to promote peace and prosperity in the region as a whole by promoting the success of Asia, which could be called the “leading part of the world,” throughout the Middle East and Africa through free and open Indo-Pacific, extracting the latent power of the Middle East and Africa; in other words, by improving the “connectivity” of Asia, the Middle East and Africa.

In particular, Japan will expand infrastructure development, trade and investment, and enhance business environment and human development from East Asia as a starting-point, to the Middle East and Africa. In addition, Japan will provide nation-building support in the area of development as well as politics and governance, in a way that respects the ownership of African countries, and not by forcing on or intervening in them.

To realize this strategy, Japan intends to further strengthen its strategic cooperation with countries such as India, which has a historical relationship with East Africa, and the U.S. and Australia, with which it has alliances. Particularly, during Prime Minister Modi of India's visit to Japan in November 2016, the two leaders shared the view to take the initiative for the stability and prosperity of the Indo-Pacific region by enhancing the synergy between Japan's “Free and Open Indo-Pacific Strategy” and India's “Act East Policy” through collaboration.

### A New Foreign Policy Strategy: “Free and Open Indo-Pacific Strategy”

“Diplomacy that takes a panoramic perspective of the world map”

“Proactive Contribution to Peace” based on the principle of international cooperation

Based on the accomplishments of the Abe Administration, Japan intends to further improve and expand these diplomatic concepts

#### “Free and Open Indo-Pacific Strategy”

A key for stability and prosperity of the international community is dynamism that is created by combining  
 “Two Continents” : Asia that is rapidly growing and Africa that possess huge potential of growth; and  
 “Two Oceans” : Free and open Pacific Ocean and Indian Ocean  
 ⇒ broaden the horizon of Japanese foreign policy by envisioning the above as an overarching, comprehensive concept

#### Africa

- Full of potential
  - population around 1.1 billion (15% of global population)  
→ around 2.5 billion in 2050
  - account for 30,000,000 km<sup>2</sup> (22% of global area)
  - high economic growth rate (4.2% on average (2002-2013))
  - rich in natural resources and promising markets
- ⇒ progressing as a “developing continent” whereas still challenged by poverties and terrorism etc.

Japan will provide nation-building support in the area of development as well as politics and governance, in a way that respects the ownership of African countries, and not by forcing on or intervening in them

#### Improve “connectivity” between Asia and Africa through free and open Indo-Pacific, and promote stability and prosperity of the region as a whole



\* To make the “Free and Open Indo-Pacific Strategy” into shape, Japan will strengthen strategic collaboration with India, which has a historical relationship with East Africa, as well as the US and Australia.

#### Asia

- Increase of awareness of confidence, responsibility and leadership, as well as democracy, rule of law and market economy taking root in South East and SouthAsian countries
- ⇒ Currently expanding its success to Africa and bring out the potential of Africa as a “global main player” through a free and open Indo-Pacific

Japan will expand infrastructure development, trade and investment, and enhance business environment and human development from East Asia as a starting-point, to the Middle East and Africa



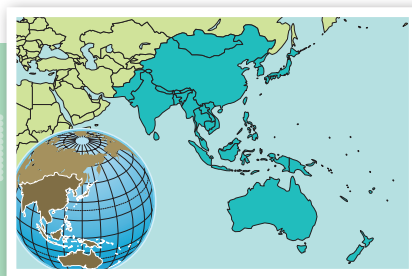
# Chapter 2

## Japan's Foreign Policy that Takes a Panoramic Perspective of the World Map

<b>Section 1</b>	Asia and Oceania	030
<b>Section 2</b>	North America	093
<b>Section 3</b>	Latin America and the Caribbean	115
<b>Section 4</b>	Europe	128
<b>Section 5</b>	Russia, Central Asia and Caucasasia	148
<b>Section 6</b>	The Middle East and North Africa	158
<b>Section 7</b>	Sub-Saharan Africa	171

## Section 1

## Asia and Oceania



## Overview

**(General overview)**

The Asia-Oceania region is home to many emerging countries and is blessed with an abundance of human resources. It is the world's growth center and has been enhancing its presence. Of the world population of 7.4 billion, approximately 3.4 billion people live in East Asia Summit (EAS) member states (excluding the U.S. and Russia)<sup>1</sup>. This represents about 46% of the world's population<sup>2</sup>. The combined nominal gross domestic product (GDP) of the Association of Southeast Asian Nation (ASEAN) member states, China and India grew 330% over the last ten years, as compared with the world average of 150%. Total exports and imports of EAS member states (excluding the U.S. and Russia) is 9.6 trillion US dollars, making it the second largest market behind the European Union (10.6 trillion US dollars)<sup>3</sup>. There are close economic ties between these nations and they have a high degree of economic interdependence. 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 the 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.

Meanwhile, the security environment surrounding Japan in the Asia-Oceania region is becoming increasingly severe as seen in the following developments: provocation such as nuclear and missile development by North Korea; countries in the region modernizing their military forces in a manner that lacks transparency and trying to change the status quo by force or coercion; and tension within the region growing over maritime issues, including in the South China Sea. Other factors hindering the stable growth of the region include immature economic and financial systems, environmental pollution, unstable demand and supply of food and resources, natural disasters and aging population.

1 ASEAN (member states: Indonesia, Cambodia, Singapore, Thailand, the Philippines, Brunei, Viet Nam, Malaysia, Myanmar and Laos), Japan, China, the ROK, India, Australia and New Zealand

2 The State of World Population 2016

3 International Monetary Fund (IMF)

### (Japan-U.S. Alliance and Asia-Oceania region)

The Japan-U.S. Alliance is the linchpin of Japanese diplomacy, and is important for the Asia-Pacific region as well. Japan is closely cooperating with the U.S. in order to play a leading role in the formation of order in the region. At the Japan-U.S. Summit Meeting in May 2016, regarding the East Asia situation, Prime Minister Abe stated that he hoped to strengthen a network of peace and prosperity with the Japan-U.S. Alliance as its linchpin and President Obama stated that strengthening cooperation with ASEAN was an urgent issue. The two leaders confirmed the importance of the rule of law at sea, and shared the view that Japan and the U.S. will solidly fulfill their roles within the international community. Furthermore, at the Japan-U.S. Foreign Ministers' Meeting in November, the two Foreign Ministers shared the recognition that there are more and more urgent challenges facing Japan and the U.S., and confirmed that they would continue to further strengthen the Japan-U.S. Alliance for the peace and prosperity of the region and the international community. Japan will also further strengthen the Japan-U.S. Alliance together with the Trump administration inaugurated in January 2017.

### (China)

In recent years, while facing a variety of social and economic challenges, China has been significantly enhancing its presence in the international community in various fields against the background of its economic growth. The entire international community including Japan welcomes the development of China as a responsible, peace-oriented nation. However, China's moves to strengthen its military capabilities

without sufficient transparency, and its own activities in space and cyberspace are also attracting the attention of the international community. Its increased activities at sea and in the air in the East China Sea and South China Sea, and in their airspace, are causing common concern in the entire region.

Japan and China are neighbors across the East China Sea. The Japan-China relationship is one of the most important bilateral relationships characterized by close economic relations and people-to-people and cultural exchanges. In 2016, the number of Chinese travelers to Japan was about 6.37 million (Japan National Tourism Organization (JNTO)), setting a record high for two consecutive years, following the previous year which was 4.99 million. At the same time, there are a number of political and social differences between the two countries, and precisely because they are neighbors, it is inevitable that frictions and confrontations occasionally occur.

Following on from the previous year, overall 2016 was a year in which a move toward improvement in Japan-China relations was seen. In April Foreign Minister Kishida paid a bilateral visit to China, which was the first time for approximately four and a half years as the Foreign Minister of Japan, where he made a courtesy call to Premier of the State Council Li Keqiang, and held a meeting with Foreign Minister Wang Yi. This move toward an improvement in relations continued into the second half of the year and on the occasion of the Asia-Europe Meeting (ASEM) Summit (in Mongolia) in July Prime Minister Abe held his second meeting with Premier Li Keqiang. In the same month the two countries took the opportunity of the ASEAN-related

Foreign Ministers' Meetings to hold the Japan-China Foreign Ministers' Meeting. In August Foreign Minister Wang Yi visited Japan for the first time in order to attend the Japan-China-ROK Trilateral Foreign Ministers' Meeting. Then on the occasion of the G20 Hangzhou Summit in September, Prime Minister Abe visited China and held his third summit meeting with President Xi Jinping. Prime Minister Abe and President Xi Jinping also held a meeting at the APEC Economic Leaders' Meeting in Peru in November, and confirmed that they would improve Japan-China relations taking the opportunity of the 45th anniversary of the normalization of diplomatic relations between Japan and China in 2017 and the 40th anniversary of the Treaty of Peace and Friendship between Japan and People's Republic of China in 2018.

Meanwhile, unilateral attempts to change the status quo continue in the East China Sea. From January through the end of December 2016, Chinese Government-owned vessels intruded into Japanese territorial waters around the Senkaku Islands 36 times (121 vessels in total), including those related to the incident in which many Chinese government-owned vessels pushed their way into the waters around Japan in August. The Senkaku Islands are indisputably an inherent part of the territory of Japan, in light of historical facts and based upon international law. Indeed, the Senkaku Islands are under the valid control of Japan. Consequently, there exists no issue of territorial sovereignty to be resolved concerning the Senkaku Islands. The Government of Japan will continue to deal with the situation with resolute

determination to defend Japan's territorial land, sea, and airspace. Furthermore, with regard to the unilateral development of resources carried out in the maritime area pending delimitation, the Government of Japan will continue to strongly request China to cease its unilateral development and to implement the agreement on cooperation ("June 2008 Agreement").

Japan and China share responsibilities for peace and stability in the region and the international community. Stable Japan-China relations are essential, not only for the people of the two countries, but also for the peace and stability in the Asia-Oceania region. Based on the concept of the "Mutually Beneficial Relationship based on Common Strategic Interests," the Government of Japan will promote the development of Japan-China relations from a broad perspective through continued dialogues and cooperation at various levels.

### (Taiwan)

Taiwan is an important partner which has intimate people-to-people exchanges and close economic ties with Japan. Working relations between Japan and Taiwan are also deepening, and in 2016, cooperation documents regarding product safety and language education exchanges between the Interchange Association<sup>4</sup> and the Association of East Asian Relations were signed. In line with the 1972 Japan-China Joint Communique, the relationship between Japan and Taiwan continues to be maintained through working relations at the non-governmental level, with emphasis on promotion of working cooperation to achieve closer bilateral ties.

<sup>4</sup> The Interchange Association changed its name to the Japan-Taiwan Exchange Association on January 1, 2017.



**(Mongolia)**

In 2016, following from the previous year, Japan and Mongolia actively carried out high-level exchanges. From Mongolia, Minister for Foreign Affairs Purevsuren (May), Chairman of State Great Khural (Parliament) Zandaakhuu Enkhbold (June), Minister for Foreign Affairs Munkh-Orgil (September), and Prime Minister Erdenebat (October) all visited Japan, and in July Prime Minister Abe visited Mongolia for the third time during his premiership. Japan will continue to aim for true mutually-beneficial cooperation in wide-ranging areas and develop relations in order to strengthen the “Strategic Partnership.”

**(Republic of Korea)**

The Republic of Korea (ROK) is Japan’s most important neighbor that shares strategic interests with Japan. A good Japan-ROK relationship is essential for peace and stability in the Asia-Pacific region. The year 2015 marked the 50th anniversary of the normalization of Japan-ROK relations, and vigorous exchanges between the two countries were carried out. In 2016 the number of people traveling between Japan and the ROK reached an all-time high. Economic relations are also close. In the political sphere, forward-looking progress in Japan-ROK relations was seen, including the commencement of the projects of the Reconciliation and Healing Foundation based on the Japan-ROK agreement in 2015, and the conclusion of the agreement between the Government of Japan and the Government of the ROK on the Protection of Classified Military Information that provides for example, principles for the protection of classified military information. On the other hand, a variety of issues exist

that are unacceptable to Japan, including the installation of the comfort woman statue on the sidewalk in front of the Consulate-General of Japan in Busan on December 30, 2016, the landing of the Governor of North Gyeongsang Province, Republic of Korea on Takeshima in January 2017, the incident of the theft of a Buddhist statue. Although difficult issues exist between Japan and the ROK, it is important for the two countries to communicate at a variety of levels in a wide range of areas including security and to move toward developing a new era of future-oriented Japan-ROK relations based on mutual trust.

**(North Korea)**

In North Korea, the power base of the regime centered on Kim Jong-Un, the Chairman of the State Affairs Commission, has been enhanced. At the Congress of the Workers’ Party of Korea, which was held for the first time in 36 years, the “byungjin policy”, under which North Korea simultaneously pursues economic construction and the build-up of nuclear-armed forces, was positioned as a permanent strategic policy. The issue of abduction by North Korea is not only a critical issue concerning the sovereignty of Japan as well as the lives and safety of Japanese citizens but also a universal matter of the entire international community as a violation of fundamental human rights. Based on the basic recognition that the normalization of diplomatic relations with North Korea is impossible without resolving solution of the abduction issue, Japan has positioned its resolution as the most important foreign policy issue. Accordingly, Japan urges North Korea to ensure the safety of all abductees and their immediate return to Japan, to

provide a full account of all the abduction cases, and to hand over the perpetrators. In 2016, North Korea conducted two nuclear tests and launched more than 20 ballistic missiles, and the enhancement of its nuclear and missile capacity poses a new level of threat to Japan and the entire international community. In close cooperation with the U.S., the ROK, China, Russia, and other relevant countries, Japan will continue to urge North Korea to refrain from provocative actions and to comply with relevant UN Security Council Resolutions and Joint Statements of the Six-Party Talks. Under its policy of “dialogue and pressure” and “action for action” and in accordance with the Japan-DPRK Pyongyang Declaration, Japan will continue to work in close coordination with relevant countries toward the comprehensive resolution of the outstanding issues of concern, such as the abductions, nuclear and missile issues based on the Japan-DPRK Pyongyang Declaration.

### **(Southeast Asian countries)**

Against the backdrop of their high rates of economic growth, Southeast Asian countries have been increasing their importance and presence in the international community. Japan has further strengthened relations with these countries, based on friendly relations over many years. In 2016, Prime Minister Abe took the opportunity of the ASEAN-related summit meeting in September to visit Laos and held the 8th Mekong-Japan Summit Meeting. Furthermore, there were many visits by ministers too, and Foreign Minister Kishida conducted high-level exchanges including visits to Laos, Myanmar, Thailand, and Viet Nam in May and the Philippines in

August. Japan will continue to reinforce its framework for dialogue and cooperation with Southeast Asian countries in the fields of politics and security to achieve peace and prosperity in the region. Moreover, Japan will promote “quality infrastructure investment” in cooperation with each country and international institution aimed at realization of a sustainable “quality growth” and will accelerate initiatives for improving both hard and soft connectivity of the Southeast Asia region. For example, the Japan-Mekong Connectivity Initiative was launched in 2016, and Japan advanced discussions with the Mekong countries about the priority projects for implementation for improving the connectivity of the Mekong region. Japan has been also working to further reinforce people-to-people and cultural exchanges. For instance, the Government of Japan took the opportunity of the milestones of the 50th anniversary of the establishment of diplomatic relations between Japan and Singapore and the 60th anniversary of the normalization of diplomatic relations with the Philippines, attracted tourists to Japan through the conclusion of air services agreements with Cambodia and Laos, and promoted youth exchanges through programs such as JENESYS (Japan-East Asia Network of Exchange for Students and Youths) 2016.

### **(Oceania countries)**

#### **(1) Australia**

Japan and Australia support a free and open rule-based international order and contribute together to the stability and prosperity of the international community under the “Special Strategic Partnership” sharing fundamental values and strategic interests. On the basis of the Prime Minister’s

mutual visits and close coordination between Foreign Ministers, Japan and Australia have been steadily deepening cooperative relations in the security and defense area including the signing of the new Japan-Australia Acquisition and Cross-Servicing Agreement (Japan-Australia ACSA). In the economic area, mutually complementary economic relations based on the Japan-Australia Economic Partnership Agreement (EPA) are being further advanced, and the two countries are cooperating closely regarding the promotion of free trade including the Trans Pacific Partnership (TPP) Agreement, East Asia Regional Comprehensive Economic Partnership (RCEP). Furthermore, trilateral cooperation and partnerships such as Japan-U.S.-Australia and Japan-Australia-India are being steadily enhanced.

### **(2) New Zealand**

New Zealand is a strategic cooperative partner with which Japan has been maintaining friendly relations for many years, and the cooperative relations of the two countries are being strengthened through ways such as exchanges at a variety of levels.

### **(3) Pacific Island Countries (PICs)**

The PICs and Japan are bound by the Pacific Ocean and have deep historical ties. The PICs are important partners of Japan in areas such as cooperation in the international arena, the supply of fisheries and mineral resources. On the occasion of the UN General Assembly in September, Japan held the third Japan-Pacific Islands Leaders Meeting and in addition, the Third Ministerial Interim Meeting of the Pacific Islands Leaders Meeting (PALM) was held in January 2017 confirming the close cooperative relationship of Japan and the PICs.

### **(South Asia)**

South Asia is situated in a geopolitically important region at the intersection of Asia, the Middle East, and Africa. The region is drawing attention for its economic potential and is becoming increasingly important in the international arena, not only because many countries in this region continue to witness high economic growth, but also because young people make up a significant proportion of the region's vast population of around 1.7 billion. On the other hand, many countries in the region continue to face challenges such as poverty, democratic consolidation and terrorism, and achieving political stability remains a key issue for these countries. Furthermore, these countries are vulnerable to natural disasters including earthquakes. In addition to further strengthening its economic relations with countries in the region such as India, with which Japan has had traditionally friendly and cooperative relations, Japan will enhance intra- and inter-region connectivity and promote the strengthening of cooperation in the international arena. Likewise, Japan will continue to support efforts to address the challenges confronting each country, such as national reconciliation and democratic consolidation.

### **(Measures on the comfort women issue)**

The Government of Japan has sincerely dealt with issues of reparations, property and claims pertaining to the war, including the comfort women issue, under the San Francisco Peace Treaty and through international agreements including bilateral treaties. Japan is of the view that these issues have been legally settled with the respective parties to these treaties,

agreements and instruments. However, from the perspective of facilitating feasible remedies for the former comfort women, the Government and people of Japan collaboratively established the “Asian Women’s Fund” in 1995, through which they carried out various medical and welfare projects and provided “atonement money.” Successive Prime Ministers sent letters expressing “apologies and remorse” directly to each former comfort woman. The Government of Japan has made every effort as mentioned above. Furthermore, it was confirmed between the Foreign Ministers of Japan and the ROK in late December 2015 that the comfort women issue between Japan and the ROK is resolved finally and irreversibly. The two leaders also confirmed that they would take responsibility as leaders to implement this agreement, and that they would deal with various issues based on the spirit of this agreement. (See Announcement by Foreign Ministers of Japan and the ROK at the Joint Press Occasion on page 47).

It is highly regrettable that despite this Japan-ROK agreement, a new comfort woman statue was installed on the sidewalk facing the Consulate-General of Japan in Busan on December 30, 2016. There is no change to Japan’s position that both Japan and the ROK should respectively implement this agreement in a responsible manner.

Furthermore, there is a move to install comfort woman statues in other countries as well, including the U.S., Canada, Australia, China, and Germany. Such move is highly disappointing and incompatible with the position of the Government of Japan. The Government of Japan is of the view that claims such as “forceful taking away of comfort women by the Japanese military

and government authorities,” “several hundred thousands of comfort women existed,” and “sex slaves” are not recognized as historical facts. The Government of Japan will continue reaching out to various people involved in this issue to explain this position.

### **(Strengthening Regional Cooperation)**

The strategic environment surrounding the Asia-Oceania region is changing rapidly, and it is becoming critically 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 will 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 cooperation, Japan also makes proactive use of trilateral arrangements for dialogue, such as Japan-China-ROK, Japan-U.S.-ROK, Japan-U.S.-Australia, Japan-U.S.-India, and Japan-Australia-India arrangements, as well as larger multilateral frameworks, such as Japan-ASEAN, ASEAN+3, East Asia Summit (EAS), Asia-Pacific Economic Cooperation (APEC), ASEAN Regional Forum (ARF), Japan-Mekong cooperation and others. Furthermore, the process of trilateral cooperation among Japan, China and the ROK has an important value, and Japan held the Japan-China-ROK Trilateral Foreign Ministers’ Meeting in August as the chair country.

ASEAN exerts its centrality in regional cooperation in East Asia, so achieving a more stable and prosperous ASEAN as the motive force is absolutely essential to the stability and prosperity of the region as a

whole. Based on this recognition, Japan has announced that it will actively support efforts to achieve even further integration after establishment of the ASEAN Community.

ASEAN-Japan relations, which have been elevated to new levels after the Commemorative Summit Meeting in 2013, has been further strengthened in a wide range of areas including enhancement of the integration of ASEAN, sustainable economic growth, improvement of people's livelihoods, and ensuring the peace and safety of the region and the international community, through the ASEAN-Japan Ministerial Meeting in July 2016 (in Vientiane, Laos) and the 19th ASEAN-Japan Summit Meeting in September 2016 (in Vientiane, Laos). Regarding the South China Sea issue, a Chairman's Statement issued in the ASEAN-Japan Summit Meeting in September emphasized the maintenance of freedom of navigation and overflight, peaceful resolution of disputes in accordance with international law, including the United Nations Convention on the Law of the Sea (UNCLOS), self-restraint in the conduct of activities, and the importance of non-militarization. Under these circumstances, Japan is actively working on activities contributing to the stability of the region, such as a joint drill with the Philippines Navy, and on the support for capacity building contributing to maritime security, taking advantage of Official Development Assistance (ODA) for ASEAN Member States.

At the 11th East Asia Summit (EAS) held in September, there was a review session of cooperation within EAS, discussions on its future directions as well as regional and international situations. Prime Minister Abe stated that Japan would contribute even

more actively to formulating measures for countering terrorism and violent extremism in EAS participating countries. Furthermore, he stressed that the structure of the EAS should be further strengthened as the premier forum of the region, reinforcing the EAS institution. He also stated his desire to promote further discussions in the political and security areas.

At the same summit, Prime Minister Abe expressed serious concern over the South China Sea issues and stated that all parties should exercise self-restraint over and refrain from actions that may increase tension in the region and seek a peaceful resolution based on international law, including the United Nations Convention on the Law of the Sea (UNCLOS).

Furthermore, Japan clarified its position that it has always supported ASEAN centrality and unity and while Japan welcomes dialogue between China and ASEAN, the dialogue should be based on international law, on the premise that non-militarization and self-restraint will be maintained on the ground. Moreover, Prime Minister Abe stated that the Philippines-China arbitral award is legally binding on the parties to the dispute and expressed his expectation that both parties' compliance with the award will eventually lead to the peaceful settlement of the disputes.

## 1 Korean Peninsula

### (1) North Korea (including the abduction issue)

Under its policy of "dialogue and pressure" and "action for action," the Government of Japan has been continuing various efforts to realize its basic policy of seeking to normalize its relations with North

Korea, through comprehensively resolving outstanding issues of concern such as the abductions, nuclear and missile issues, as well as settlement of the unfortunate past in accordance with the Japan-DPRK Pyongyang Declaration of September 2002, while working closely with relevant countries, including the U.S., the ROK, China and Russia.

## **A Domestic Affairs and Economy**

### **(A) Domestic affairs**

In North Korea, the power base of the regime centered on Kim Jong-Un, Chairman of the State Affairs Commission, has been enhanced. In May 2016, the seventh Party Congress of the Workers' Party of Korea was held for the first time in 36 years. During the Congress, the "byungjin policy," under which North Korea simultaneously pursues economic construction and the build-up of nuclear armed forces, was positioned as a permanent strategic policy. At the same time, the National Five-Year Strategy for Economic Development (2016-2020) was announced. Furthermore, due to the revision of party constitution, the post of Chairman of the Party was newly established and, Kim Jong-Un, First Secretary of the Party, was appointed as the Chairman of the Party, establishing a new party structure centered on Chairman Kim Jong-Un. Moreover, in June the same year, the Fourth Session of the 13th Supreme People's Assembly was held. The National Defense Commission (NDC) was reorganized into the State Affairs Commission, and, Kim Jong-Un, First Chairman of the NDC, was appointed as Chairman of the State Affairs Commission.

### **(B) Economy**

North Korea is said to be undergoing

severe economic hardship, and the rebuilding of its economy is regarded as an issue of importance. In his New Year's address in January 2017, Kim Jong-Un, Chairman of the State Affairs Commission, stated that North Korea would focus all of its energies on the execution of the National Five-Year Strategy for Economic Development and stressed the importance of science and technology.

North Korea's economic growth rate in 2015 was minus 1.1% (Bank of Korea estimate), recording negative growth for the first time in approximately five years. Despite positive growth in the construction industry, the stagnation of the agriculture, forestry, and fisheries industries, mining and manufacturing industry, and electricity, gas and water industries was the factor behind the negative growth. Furthermore, due to lack of rainfall and shortage of water for irrigation, the volume of cereal production in 2015 fell by 9% compared to the previous year (FAO estimate).

Trade with China continues to account for the largest share of North Korea's external trade. In 2015, the value of North Korea's trade with China was 6.25 billion US dollars (Korea Trade-Investment Promotion Agency (KOTRA) estimate), accounting for almost 90% of North Korea's entire external trade excluding inter-Korean trade.

## **B Abduction Issue**

### **(A) Basic stance**

To date, the Government of Japan has identified 12 separate incidents, involving a total of 17 Japanese abductees, 12 of whom have not yet returned home. North Korea claims that eight of these 12 have died and that it is unable to confirm that the other four ever entered its territory,

but as no convincing explanation of this claim has been provided, Japan continues to work toward the resolution of this issue on the assumption that all of the abductees whose whereabouts are unknown are still alive. As well as being a critical issue concerning the sovereignty of Japan and the lives and safety of Japanese citizens, abduction by North Korea constitutes a universal issue among the international community as a violation of basic human rights. Based on the basic recognition that the normalization of diplomatic relations with North Korea is impossible without resolving the abductions, Japan has positioned its resolution as the most important foreign policy issue. Accordingly, Japan has strongly urged North Korea to ensure the safety of all abductees and their immediate return to Japan, to provide a full account of all the abduction cases, and to hand over the perpetrators to Japan.

### **(B) Initiatives by Japan**

Following the nuclear test by North Korea in January 2016 and the launch of a ballistic missile which North Korea purported to be a “satellite” in the following month, Japan announced its autonomous measures against North Korea in February 2016. In response to this, North Korea unilaterally announced that it would completely stop the investigations on all Japanese nationals and dissolve the Special Investigation Committee. Japan strongly lodged a serious protest to North Korea, conveyed its intention of not abandoning the Japan-North Korea Government level Consultations (the agreement in Stockholm) of May 2014, and demanded that North Korea implement the agreement and return all the abductees home at the earliest

possible date. Furthermore, at the forum of the Northeast Asia Cooperation Dialogue in June 2016, Director-General of the Asian and Oceanian Affairs Bureau of the Ministry of Foreign Affairs Kenji Kanasugi had contact with Deputy Director-General of Department of US Affairs, Ministry of Foreign Affairs of North Korea Choe Son Hui, and strongly urged North Korea to return all the abductees to Japan at the earliest possible date in accordance with the agreement in Stockholm. Then in response to the nuclear test in September and repeated ballistic missile launches, Japan announced in December that it would implement new autonomous measures against North Korea toward the comprehensive resolution of outstanding issues of concern, such as nuclear and missile issues, as well as the abductions issue, which is the most important agenda for Japan.

### **(C) Cooperation with the international community toward resolution of the abductions issue**

Japan has taken all possible diplomatic opportunities to raise the abductions issue and other issues concerning North Korea, including at summit meetings, foreign ministers’ meetings, and international conferences, such as the G7 Ise-Shima Summit, the Japan-U.S.-ROK Trilateral Summit Meeting and Foreign Ministers’ Meeting, and the Association of Southeast Asian Nations (ASEAN)-related Summit Meetings, and succeeded in gaining the understanding and support of other countries. For example, at the Japan-U.S. Summit Meeting held in February 2017, the two leaders completely shared the importance of early resolution of the

abductions issue, which was confirmed in writing between Japanese and U.S. leaders for the first time as a summit-level document. Japan will continue to reach out to the international community and to urge North Korea to take concrete actions.

In the UN, the Resolution on the Situation of Human Rights in the DPRK co-tabled by Japan and the European Union (EU) was adopted at the Human Rights Council in March 2016 (The resolution has been adopted in the Human Rights Council for the ninth time in nine consecutive years and adopted at the Plenary Meeting of the UN General Assembly for the twelfth time in twelve consecutive years). Furthermore, the UN Security Council Resolution 2321 adopted in November demonstrated the strong concern of the international community, including the UN Security Council, about the issue of human rights in North Korea, including the abductions issue.

In the U.S., in a plenary session of the U.S. House of Representatives in September a resolution was adopted calling on the Government of the U.S. to cooperate with the Governments of Japan, China and the ROK to proceed with an investigation regarding an American who may have been abducted by North Korea. In March 2017, partly thanks to lobbying from Japan, including by members of the Diet, and a draft resolution with similar content was submitted to the U.S. Senate. Given the rising awareness about the abductions issue in the U.S., Japan will make its utmost efforts for an early resolution of the abductions issue in close coordination and cooperation with relevant countries concerned, including the U.S.

### **C North Korea Nuclear and Missile Issues**

The nuclear and missile development by North Korea is a clear violation of a series of relevant UN Security Council resolutions and a grave challenge to the global disarmament and non-proliferation regime, and is totally unacceptable. In spite of the fact that the international community, including Japan, has repeatedly and strongly urged North Korea for its self-restraint, North Korea has continued its nuclear and missile development. Even in 2016, it went ahead with nuclear tests at an unprecedentedly short interval and launched more than 20 ballistic missiles. The enhancement of North Korea's nuclear and missile capacity poses a threat of a new level to Japan and the entire international community.

In January 2016, North Korea carried out its fourth nuclear test, and in the following month, it went ahead with the launch of a ballistic missile that it purported to be a "satellite." In response to these events, in the same month, Japan decided to take autonomous measures against North Korea. Furthermore, in March, the UN Security Council unanimously adopted Resolution 2270, which significantly reinforces sanctions. However, even after these measures, North Korea went ahead with a series of ballistic missile launches, including Submarine Launched Ballistic Missiles (SLBM). The ballistic missile launched in June demonstrated that it fulfills its function as a ballistic missile to some extent. In addition, the ballistic missiles launched in August fell in Japan's Exclusive Economic Zone (EEZ). In September, North Korea launched three ballistic missiles simultaneously, all of which fell in Japan's



EEZ. Furthermore, in the same month, North Korea conducted its fifth nuclear test, just eight months after its previous one, at an unprecedentedly short interval, and it subsequently repeatedly launched ballistic missiles.

In response to such nuclear and missile development by North Korea, in November, the UN Security Council unanimously adopted Resolution 2321 which reinforces Resolution 2270 and further restricts the flow of people, goods, and funds, etc. to North Korea. As a member of the UN Security Council, Japan worked closely with countries concerned while leading the discussion in the UN Security Council. To ensure the effectiveness of these resolutions, Japan will closely cooperate with other UN Member States, including a proactive utilization of the Committee established pursuant to Resolution 1718.

Furthermore, taking into account the nuclear test in September and repeated ballistic missile launches as well as the fact that the abductions issue has not been resolved, in December, Japan announced that it would take additional autonomous measures against North Korea in order to realize the comprehensive resolution of the outstanding issues of concern, such as the abductions, nuclear and missile issues. The U.S. and the ROK also announced their autonomous measures against North Korea in close cooperation with Japan.

On the other hand, Chairman of the State Affairs Commission Kim Jong-Un declared his intention to continue the nuclear and missile development in his New Year's address, delivered in January 2017, by emphasizing that North Korea is a "nuclear power" and a "military power," stating that the country had entered the

final stage of preparation for the test launch of an "intercontinental ballistic missile," and claiming that North Korea had already developed a powerful military guarantee. In the following months, North Korea has continued its nuclear and missile development. In February of the same year, North Korea launched one ballistic missile and, in March, North Korea launched four ballistic missiles almost simultaneously three of which fell in Japan's Exclusive Economic Zone (EEZ).

Japan, in close coordination with relevant countries, including the U.S., the ROK, China, and Russia, will continue to strongly urge North Korea to refrain from any further provocation and to comply with the Joint Statements of the Six-Party Talks and the relevant UN Security Council resolutions.

## **D North Korea's External Relations, etc.**

### **(A) U.S.-North Korea relations**

North Korea called on the U.S. to hold a dialogue to change the armistice agreement into a peace treaty but the U.S. did not accept this and has enhanced its pressure on North Korea.

In February 2016, the North Korea Sanctions and Policy Enhancement Act entered into force in the U.S. In July, the U.S. designated eleven individuals, including Kim Jong-Un, the Chairman of the State Affairs Commission, and five organizations involved in human rights violations in North Korea as the targets subject to sanctions. In response to this, the North Korean Ministry of Foreign Affairs issued a statement in which it (1) demanded immediate and unconditional withdrawal of the sanctions, (2) warned that it would take extremely tough measures in response, and (3) it would cut off all diplomatic channels between the

U.S. and North Korea if the U.S. did not meet its demands. Subsequently in December, in response to the nuclear test conducted in September and repeated ballistic missile launches, the U.S. announced its new autonomous measures against North Korea in cooperation with Japan and the ROK. Furthermore, in January 2017, the U.S. designated additional two organizations and seven individuals involved in human rights violations in North Korea as the targets subject to sanctions.

Furthermore, the U.S. has declared it will maintain its defense commitments to Japan and the ROK, including the provision of extended deterrence, and in July 2016 the governments of the U.S. and the ROK decided to deploy THAAD (Terminal High Altitude Area Defense) in the ROK.

### **(B) North-South relations**

In February 2016, the Government of the ROK announced to halt the Gaeseong Industrial Complex following the nuclear test by North Korea in January and its ballistic missile launch in February. In response to this, North Korea expelled the citizens of the ROK who were in the industrial complex, and declared the industrial complex as a military control zone. In May, North Korea proposed to the ROK a meeting between the North-South military authorities. However the Government of the ROK did not accept the proposal by North Korea, on the grounds that it is necessary for North Korea to take actions toward denuclearization. Subsequently in December, in response to the September nuclear test and repeated ballistic missile launches, the ROK announced new autonomous measures against North Korea in cooperation with Japan and the U.S. In

the New Year's address in January 2017, North Korea criticized President Park Geun-Hye of the ROK by name while showing a positive willingness toward North-South reunification with the ROK. However, the ROK continued to refuse to engage in dialogue.

### **(C) China-North Korea relations**

To date, no summit meeting has been held between Kim Jong-Un, Chairman of the State Affairs Commission, and President Xi Jinping of China. However, close economic relations are maintained. For example, trade between China and North Korea accounts for approximately 90% of North Korea's entire external trade excluding inter-Korean trade. UN Security Council Resolution 2321 adopted in November 2016 imposes on member states an upper limit of imports of coal from North Korea, which is a source of foreign currency earnings for North Korea. In this connection, the trend in the trade between China and North Korea has attracted attention.

### **(D) Other countries**

In February 2017 a North Korean man was killed in Malaysia, and later the Government of Malaysia confirmed that said man was Mr. Kim Jong Nam. Furthermore, the Malaysian police also announced that VX, the production, use, etc. of which is prohibited under the Chemical Weapons Convention, was detected from the body. As of March 2017, criminal justice proceedings are still under way in Malaysia and Japan is collaborating with the countries concerned to gather and analyze relevant information.

## E Other Issues

Defectors who have fled from North Korea have to be kept in hiding to avoid being rounded up by the authorities in the countries where they are staying and forcibly repatriated to North Korea. The Government of Japan is addressing the protection and support of these North Korean defectors, in light of the purpose of the North Korean Human Rights Violation Act, taking into account a comprehensive range of factors, including humanitarian considerations, the safety of those concerned, and relations with the countries in which these defectors reside. Relevant Japanese ministries and agencies are working together closely to promote measures aimed at helping those defectors accepted by Japan to become settled.

## (2) Republic of Korea (ROK)

### A Situation in the ROK

#### (A) Domestic affairs

In 2016 President Park Geun-Hye, who was in her fourth year in office, gave a policy speech in which she set out the priority areas of employment creation and restoration of economic strength through creative economy and cultural flourishing, expansion of growth engines in preparation for the future, and construction of a sustainable foundation for growth.

The approval rating of the Park Geun-Hye administration fell to the 30-39% range after the ruling party was defeated in the 20th legislative elections in April 2016, and fell again to the 10-19% range due to the Choi Soon-Sil incident<sup>5</sup>.

Subsequently, on December 9 the same

year the impeachment resolution against President Park Geun-Hye was passed in the ROK National Assembly and the powers and duties of President Park Geun-Hye were suspended. Subsequently Prime Minister Hwang Kyo-Ahn assumed the powers and duties of the presidency on an interim basis.

On March 10, 2017 the Constitutional Court pronounced the verdict that it upheld the impeachment of President Park Geun-Hye, removing President Park Geun-Hye from office. As a consequence, the 19th presidential election to be held on May 9.

#### (B) Foreign policy

In 2016, the ROK practiced diplomacy that treated the North Korean nuclear issue as the top priority issue. Regarding its relations with the U.S., in response to the ballistic missile launches by North Korea in February 2016 the commencement of official consultations regarding deployment of the THAAD (Terminal High Altitude Area Defense) System to the U.S. Forces in Korea was decided, and in July the Governments of the U.S. and the ROK announced that they had decided to deploy the THAAD system in Seongju (ROK).

In 2017 the Ministry of Foreign Affairs of the ROK, keeping in mind the upgrading of North Korea's nuclear and missile capabilities and the realignment of power relations in Northeast Asia, and under the recognition that the current diplomatic and security environment is the severest since the end of the Cold War, announced the six core diplomatic issues of (1) omni-directional diplomacy for resolving the

<sup>5</sup> It was found that President Park was giving official government documents including her speeches and documentation related to Blue House personnel management, etc. to Ms. Choi Soon-Sil, an old acquaintance, in advance. On October 25 the same year, President Park admitted that she was close to Ms. Choi and apologized to the ROK citizens. On December 3 the three opposition parties brought an impeachment motion against President Park.

nuclear issues and others of North Korea, (2) diplomacy for surrounding countries to respond actively to the environment within the region, (3) global diplomacy to contribute to the resolution of the main international outstanding issues, (4) economic diplomacy to secure the future growth engines of the ROK's economy, (5) strengthening protection of the citizens of the ROK in an era in which terrorism occurs frequently, and (6) public diplomacy as a trusted medium-level country.

### (C) Economy

In 2016, the GDP growth rate of the Republic of Korea was 2.7%, an increase from 2.6% in the previous year. The total exports amounted to approximately 495.5 billion US, a 5.9% decrease from the previous year, and the total imports amounted to approximately 405.7 billion US dollars, a 7.1% decrease from the previous year. The trade surplus was approximately 89.8 billion US dollars (ROK Ministry of Trade, Industry and Energy Statistics).

In terms of domestic economic policy, since the inauguration of the administration's economic reforms have been advanced mainly based on "economic democratization," the "creative economy," and "revitalization of domestic demand." "Four Major Reforms" were raised after the "Three Year Plan for Economic Innovation" announced in February 2014, thereby promoting structural reforms in the public sector as well as the labor, education and financial sectors. In the field of international trade, the government has engaged in the FTA and RCEP negotiations and in addition, has promoted FTAs with several Central American Countries.

## B Japan-ROK Relations

### (A) Bilateral relations

The ROK is Japan's most important neighbor which shares strategic interests, and the partnership and cooperation of Japan-ROK are essential in ensuring peace and stability of the Asia-Pacific region. Furthermore, Japan and the ROK have worked in partnership on a variety of regional and global issues, including nuclear disarmament and non-proliferation, peacebuilding, poverty and not to mention dealing with issues related to North Korea. The Government of Japan will continue to develop a good understanding at a variety of levels in all fields such as politics, economy and culture and move toward developing a new era of future-oriented Japan-ROK relations based on mutual trust.

At a time when the enhancement of nuclear and missile capabilities by North Korea constitutes a new level of threat to the entire international community including Japan, cooperation between Japan and the ROK, and among Japan, the U.S. and the ROK regarding the North Korea issues has become more important than ever before. In response to the nuclear tests by North Korea in January 6, 2016 and September 9 the same year, Japan and the ROK promptly held teleconferences between their top leaders and Foreign Ministers, in which they shared the view that they would explore resolute responses, and confirmed the close cooperation of Japan and the ROK. Furthermore, on November 23 Japan and the ROK concluded the Agreement between the Government of Japan and the Government of the Republic of Korea on the Protection of Classified Military Information, and due to this conclusion a variety of information necessary for

handling various situations appropriately and effectively, including information related to the nuclear and missile programs of North Korea, can now be exchanged directly between Japan and the ROK.

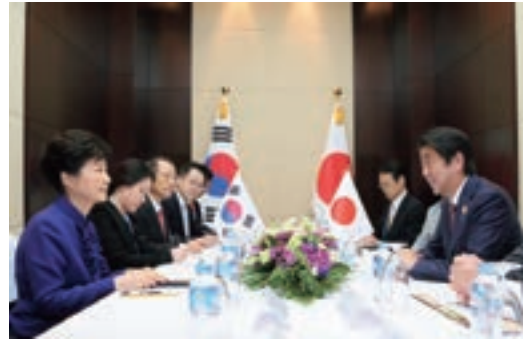
### (B) Exchange

Mutual understanding and exchange between the people of both Japan and the ROK are steadily deepening and broadening. The year 2015 marked the 50th anniversary of the normalization of Japan-ROK relations, and a wide range of exchanges were conducted actively between the two countries. In Japan, K-POP and South Korean television dramas, etc. are widely accepted by people of all ages and in the ROK, Japanese culture has become popular, particularly the manga, anime, and novels of Japan.

Furthermore, the number of people traveling between the two countries each year has grown from around 10,000 people at the time that diplomatic relations were normalized to approximately 7.39 million people in 2016, the highest number ever recorded<sup>6</sup>.

The Nikkan Koryu Omatsuri (Japan-Korea Festival), an annual cultural exchange event in Japan and the ROK, respectively, took place in Tokyo on September 24 and 25 and in Seoul on October 2, with attendance of approximately 110,000 people in total.

Regarding youth exchange programs



Japan-ROK Summit Meeting (September 7, Laos; Photo: Cabinet Public Relations Office)

between Japan and Asia-Pacific countries and regions, Japan made efforts to promote mutual understanding and build a friendly and cooperative relationship for the future through the promotion of Japan's Friendship Ties Programs JENESYS 2016 which was expanded to include adults.

### (C) Takeshima dispute

Regarding a dispute between Japan and the ROK concerning the territorial sovereignty over Takeshima, Japan has consistently held the position that Takeshima is indisputably an inherent part of the territory of Japan in light of historical facts and based on international law. Japan has been mobilizing various media to keep the rest of the world informed about Japan's position on the Takeshima dispute<sup>7</sup>, and has lodged repeated strong protests against the ROK over such matters as landing on the island by members of the ROK's National Assembly and others, the ROK's military

<sup>6</sup> Number of visitors in 2016

Number of people from the ROK visiting Japan: 5,090,300 people (Japan National Tourism Organization (JNTO))

Number of people from Japan visiting the ROK: 2,297,893 people (Korea Tourism Organization (KTO))

<sup>7</sup> In February 2008, the Ministry of Foreign Affairs created a pamphlet entitled "Takeshima: 10 points to understand the Takeshima Dispute." Currently, it is available on the Ministry of Foreign Affairs website in eleven languages: Japanese, English, Korean, French, German, Spanish, Portuguese, Arabian, Russian, Chinese, and Italian. Furthermore, since October 2013, videos and flyers about Takeshima have been available on the Ministry of Foreign Affairs website and currently they are available in the above 11 languages. In addition, Japan has taken initiatives such as distributing a smartphone app providing education about the Takeshima issue.

exercises and the construction of buildings that such acts are never acceptable<sup>8</sup>. Japan will continue to make diplomatic efforts tenaciously to settle the Takeshima issue in a peaceful manner in accordance with international law<sup>9</sup>.

#### (D) The issue of comfort women

It was confirmed that the issue of comfort women, which has been a long-standing issue over many years between Japan and the ROK, is resolved finally and irreversibly with the agreement reached at the Japan-ROK Foreign Ministers' Meeting on December 28, 2015. During the subsequent Japan-ROK summit telephone call, the two leaders confirmed and appreciated the agreement<sup>10</sup>. Based on this agreement, on July 28, 2016, the "Reconciliation and Healing Foundation" was established in the ROK, and on August 31, Japan contributed one billion yen to the foundation<sup>11</sup>. However, on December 30, 2016, a civil group in the ROK installed a comfort woman statue<sup>12</sup> on the sidewalk facing the Consulate-General of Japan in Busan<sup>13</sup>. This

development is highly regrettable as it not only has an undesirable impact on Japan-ROK relations, but also is problematic in light of the the Vienna Convention on Consular Relations. The Japan-ROK agreement was highly appreciated by the international community, and Japan and the ROK respectively have a duty to the international community to implement the agreement. Japan will continue to tenaciously take every opportunity to ask the ROK to steadily implement the agreement. (See Announcement by Foreign Ministers of Japan and the ROK at the Joint Press Occasion)

#### (E) Other issues

With regard to matters arising from the judicial decisions in the ROK concerning "requisitioned civilians" from the Korean Peninsula<sup>14</sup>, Japan continued to hold the position that the property and claims between Japan and the ROK were settled completely and finally through the Agreement on the Settlement of Problems concerning Property and Claims and on

8 After Moon Jae-In, former Chairman of The Minjoo Party of Korea, landed on the island in July 2016 and a delegation of ten Republic of Korea parliamentarians led by Na Kyung-Won, a member of the National Assembly for the Saenuri Party, landed on the island in August 2016, followed by Kim Kwan-Yong, Governor of North Gyeongsang Province in the Republic of Korea, who landed in January 25, 2017. Following each of these instances, the Government of Japan immediately conveyed to the Government of the ROK that such an act was unacceptable and extremely regrettable in light of Japan's position on sovereignty over Takeshima, urged the Government of the ROK to ensure similar acts do not recur, and strongly protested against the act.

9 Japan has so far proposed three times (September 1954, March 1962 and August 2012) to the Republic of Korea that the Takeshima issue be referred to the International Court of Justice.

10 The consistent position of the Government of Japan has been that issues relating to property, including the issue of comfort women, and claims between Japan and the ROK have already been settled completely and finally in legal terms by the Agreement on the Settlement of Problems Concerning Property and Claims and on the Economic Co-operation between Japan and the Republic of Korea of 1965.

11 With this contribution of 1 billion yen, this foundation implemented projects for 29 former comfort women to recover their honor and dignity and to heal their psychological wounds (as of December 23, 2016).

12 For the sake of practical convenience, the statues in front of the Embassy of Japan in Seoul and the Consulate-General of Japan in Busan are referred to as "comfort woman statues." However, the use of this term is not a reflection of the recognition that these statues correctly embody the reality of those women at that time.

13 In response to this, Japan decided to take interim measures including (1) postponing participation in Busan municipal events by diplomats at the Consulate-General of Japan in Busan, (2) temporary recall of Japanese Ambassador to the Republic of Korea Yasumasa Nagamine and Japanese Consul to Busan Yasuhiro Morimoto, (3) suspending Japan-ROK consultations about a currency swap agreement, and (4) postponing Japan-ROK high-level economic consultations.

14 Some civilians of the ROK said to have been subjected to "forced requisition" by predecessor companies of Nippon Steel & Sumitomo Metal Corporation and Mitsubishi Heavy Industries, Ltd. during World War II, when the Korean Peninsula was under Japan's rule, brought claims for the payment of compensation and unpaid wages against the two companies. The Seoul High Court found in favor of the plaintiffs against Nippon Steel & Sumitomo Metal Corporation on July 10, and the Busan High Court ruled against Mitsubishi Heavy Industries, Ltd. on July 30, with both courts ordering the respective defendants to compensate the plaintiffs.

## Announcement by Foreign Ministers of Japan and the Republic of Korea at the Joint Press Occasion

### 1. Foreign Minister Kishida

The Government of Japan and the Government of the Republic of Korea (ROK) have intensively discussed the issue of comfort women between Japan and the ROK at bilateral meetings including the Director-General consultations. Based on the result of such discussions, I, on behalf of the Government of Japan, state the following:

- (1) The issue of comfort women, with an involvement of the Japanese military authorities at that time, was a grave affront to the honor and dignity of large numbers of women, and the Government of Japan is painfully aware of responsibilities from this perspective.

As Prime Minister of Japan, Prime Minister Abe expresses anew his most sincere apologies and remorse to all the women who underwent immeasurable and painful experiences and suffered incurable physical and psychological wounds as comfort women.

- (2) The Government of Japan has been sincerely dealing with this issue. Building on such experience, the Government of Japan will now take measures to heal psychological wounds of all former comfort women through its budget. To be more specific, it has been decided that the Government of the ROK establish a foundation for the purpose of providing support for the former comfort women, that its funds be contributed by the Government of Japan as a one-time contribution through its budget, and that projects for recovering the honor and dignity and healing the psychological wounds of all former comfort women be carried out under the cooperation between the Government of Japan and the Government of the ROK.
- (3) While stating the above, the Government of Japan confirms that this issue is resolved finally and irreversibly with this announcement, on the premise that the Government will steadily implement the measures specified in (2) above.

In addition, together with the Government of the ROK, the Government of Japan will refrain from accusing or criticizing each other regarding this issue in the international community, including at the United Nations.

### 2. Foreign Minister Yun

The Government of the Republic of Korea (ROK) and the Government of Japan have intensively discussed the issue of comfort women between the ROK and Japan at bilateral meetings including the Director-General consultations. Based on the result of such discussions, I, on behalf of the Government of the ROK, state the following:

- (1) The Government of the ROK values the GOJ's announcement and efforts made by the Government of Japan in the lead-up to the issuance of the announcement and confirms, together with the GOJ, that the issue is resolved finally and irreversibly with this announcement, on the premise that the Government of Japan will steadily implement the measures specified in 1. (2) above. The Government of the ROK will cooperate in the implementation of the Government of Japan's measures.
- (2) The Government of the ROK acknowledges the fact that the Government of Japan is concerned about the statue built in front of the Embassy of Japan in Seoul from the viewpoint of preventing any disturbance of the peace of the mission or impairment of its dignity, and will strive to solve this issue in an appropriate manner through taking measures such as consulting with related organizations about possible ways of addressing this issue.
- (3) The Government of the ROK, together with the Government of Japan, will refrain from accusing or criticizing each other regarding this issue in the international community, including at the United Nations, on the premise that the Government of Japan will steadily implement the measures it announced.

the Economic Co-operation between Japan and the Republic of Korea, thus Japan will continue to deal appropriately with these issues based on this position.

Furthermore, Japan has made requests to the Government of the ROK through diplomatic channels to return cultural properties that were stolen and are currently in the ROK<sup>15</sup> to Japan as soon as possible, and will continue to call upon the Government of the ROK for their prompt return.

Other than these issues, Japan has provided as much support as possible from a humanitarian perspective in a wide range of fields including the issue of remains of people originally from the Korean Peninsula<sup>16</sup>, support for ethnic Koreans in Sakhalin<sup>17</sup>, addressing the issue of atomic bomb survivors living in the ROK<sup>18</sup> and helping Hansen's disease patients admitted to sanitariums in the ROK<sup>19</sup>.

Moreover, Japan and the ROK have engaged in several rounds of negotiations over the delimitation of the Exclusive Economic Zone (EEZ).

### C Japan-ROK Economic Relations

Japan and the ROK continue to maintain close economic relations. The total value of trade between Japan and the ROK in 2016

amounted to approximately 7.74 trillion yen. Japan is the ROK's third-largest trading partner and the ROK is Japan's third-largest trading partner. The ROK's trade deficit with Japan increased by approximately 10.5% compared with the previous year to about 2.3 trillion yen (Trade Statistics of Japan, Ministry of Finance). Japanese direct investment in the ROK totaled approximately 1,250 million U.S. dollars (down 25.2% from the previous year) (figures published by the ROK Ministry of Trade, Industry and Energy), making Japan the ROK's fifth-largest source of foreign direct investment.

Thus, Japan and the ROK are important trade and investment partners for each other and progress is being made in forging new cooperative relationships between the two countries. As the integration of supply chains in the manufacturing sector has been achieved, new cooperative relationships between the two countries have been developed, including companies' joint expansion of business into third countries.

Japan believes that economic partnership between Japan and the ROK is vital in order to further strengthen these close economic relations between the two countries, as well as to ensure that both Japan and the ROK can play a leading role in regional

<sup>15</sup> In April 2016, Buseoksa Temple in the ROK called for the Government of the ROK to return to Buseoksa Temple a Seated Kanzeon Bodhisattva statue, which had been stolen from Tsushima City in Nagasaki Prefecture and not returned to Japan, and filed a suit in the Daejeon District Court, and on January 26, 2017 the court issued the verdict in the first instance which awarded the statue to the plaintiff (Buseoksa Temple).

<sup>16</sup> The issue of the return of the remains of people originally from the Korean Peninsula which were left in Japan after the end of World War II. Japan is steadily repatriating the remains whose return has been requested by the Government of the ROK and which are able to be returned.

<sup>17</sup> For various reasons, before the end of World War II, the people from the Korean Peninsula traveled to what was then known as Minami Karafuto (South Sakhalin), but were compelled to remain there for a long time after the war ended under the de facto rule of the Soviet Union, without being given the opportunity to return to the ROK. The Government of Japan is providing such people with support to enable them to return home temporarily, and also to visit Sakhalin.

<sup>18</sup> The issue of provision of support to those who were exposed to the atomic bombs while living in Hiroshima or Nagasaki during World War II, and subsequently went to live overseas. To date, Japan has provided support in the form of the Atomic Bomb Victim Health Handbook and allowances based on the Atomic Bombs Survivors' Assistance Act.

<sup>19</sup> People who were admitted to Hansen's disease sanatoriums built overseas by Japan before the end of the war had demanded the payment of compensation in accordance with the Act on Payment of Compensation to Inmates of Hansen's Disease Sanatorium. The Act was revised in February 2006, allowing compensation to be paid to those formerly resident in sanatoriums overseas for the first time.



economic integration in Asia. Based on this understanding, Japan and the ROK continue to strive to achieve progress in negotiations concerning the Japan-China-ROK Free Trade Agreement (FTA) and the Regional Comprehensive Economic Partnership (RCEP).

In the area of the environment, the 18th Japan-ROK Joint Committee on Environmental Cooperation was held in July 2016. The two sides exchanged views on climate change, environmental cooperation, and marine environmental issues and confirmed that Japan and the ROK will closely cooperate on these subjects.

With respect to the issue of restrictions by the ROK on imports of Japanese marine products, a panel was established within the WTO in September 2015, in response to Japan's request, and the sub-committee is examining the issue. In this regard, Japan has been taking various opportunities to request the ROK to repeal the increased restriction measures promptly.

## 2 China / Mongolia, etc.

### (1) China

#### A The Situation in China

##### (A) Economy

The Chinese economy has been gradually slowing down, for example real GDP growth over the last few years has been slowing. In 2016, the real GDP growth rate showed an increase of 6.7% and total trade value fell 6.8% over the previous year (total export value in particular fell 7.7% over the previous year). On the other hand, in the short term the business trends vary greatly among regions and industries. By industry, for instance, while the secondary industry

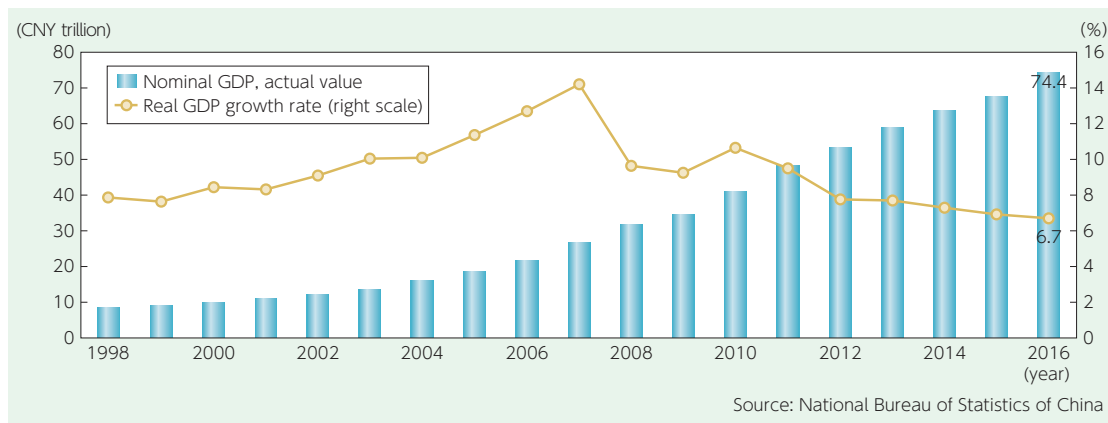
including manufacturing is slowing down, the tertiary industry such as finance and services is growing steadily.

Looking at financial trends, in the Shanghai stock market, stock prices fell rapidly again in January 2016 following the sharp decline in the summer of 2015 and the authorities aimed to stabilize the markets, for example by taking regulatory measures. Furthermore, in recent years the renminbi has been rising gradually against the U.S. dollar but it reversed direction due to a change in the central parity quotes of renminbi in August 2015 and against the backdrop of the rise of interest rate in the U.S. and other factors the dollar continued to appreciate against the renminbi.

Ensuring stable growth of the economy is a foundation of stable society and the source of Chinese people's support for the Communist Party of China, the ruling party. However it has become more complex and more difficult than ever before, with the background of reduced competitiveness, the negative legacy from the past rapid growth and the after effects of four-trillion-yuan-stimulus package. Under these circumstances, the Chinese Communist Party and the Government of China regard the current situation of the Chinese economy as the "new normal." It aims to ensure a transformation in economic development model from the conventional high-speed growth led by investment and exports to mid- to high-speed growth led by consumption and domestic demand through structural reforms from a mid- to long-term perspective while securing sustainable and stable growth by economic stimulus measures from a short-term perspective.

In response to this situation, at the

## Development of China's GDP



National People's Congress in March 2016, the 13th five-year plan (2016-2020) was adopted. This plan firmly stuck to the government targets of ensuring an average annual real GDP growth rate of 6.5% or more and doubling nominal GDP and per capita income in 2020 as compared with 2010, and set out goals such as structural reform on the supply side, through the reduction of excessive production capacity and real estate inventory, and the promotion of innovation. At the Central Economic Work Conference held in December of the same year, the Government of China showed a willingness to implement economic management which gives top priority to stability as the National Congress in the second half of 2017 approaches, and once again emphasized the importance of supply-side structural reform.

### (B) Domestic affairs

President Xi Jinping is running his administration under the slogan of "the Four Comprehensives". "The Four Comprehensives" refers to (1) Comprehensively build a moderately prosperous society (with some degree of comfort), (2) Comprehensively deepen

reform, (3) Comprehensively implement the rule of law, and (4) Comprehensively strengthen Party discipline, and they were discussed and adopted from the Third Plenary Session in 2013 to the 6th Plenary Session in 2016 of the 18th Central Party of China (CPC) Central Committee, respectively. Furthermore, at the 6th Plenary Session, President Xi Jinping was positioned as the Party's "core" leader for the first time in a party document and he was seen to further strengthen his power base in the current system before the CPC National Congress which will be held in the second half of 2017.

On the other hand, China is facing a significant number of issues. The growth of the Chinese economy is slowing down and in this context pre-existing social issues such as the gap between rich and poor, environmental pollution, ethnic minority issues, etc. are becoming more pronounced. Furthermore, at a time when the Internet population is growing and the values of Chinese society are becoming increasingly diverse, the Government of China is continuing to strengthen its management of society through the establishment of the Law of the PRC on Administration of Activities

of Overseas NGO in the Mainland of China and Cybersecurity Law, etc. Domestic and overseas critics have complained that these measures restrict civil activities and the rights of individuals. In October an incident occurred in which people seen to be military veterans asking for improved treatment surrounded the building which houses China's Ministry of National Defense. In the second half of 2017 in the lead up to the 19th CPC National Congress of the Communist Party of China, the present administration is under pressure to achieve difficult leadership objectives of responding to the dissatisfaction and unease in society while also having to strengthen its own power base.

In Hong Kong, the Legislative Council elections, which are held once every four years, were held in September and groups called "Localists" with a strong orientation toward independence for Hong Kong won seats for the first time. In November, however, two of the "Localist" members of parliament were disqualified as legislators based on an interpretation of the Hong Kong Basic Law adopted by the National People's Congress. Large-scale demonstrations opposing this move were reported.

### (C) Foreign policy

Regarding the foreign policy of China in 2016, continuing on from last year, proactive economic diplomacy was deployed in light of the initiative entitled "the Belt and Road Initiatives (Silk Road Economic Belt/21st Century Maritime Silk Road)," with emphasis on infrastructure exports including high-speed railway. Related to that, the first Annual Meeting of the Asian Infrastructure Investment Bank (AIIB) was

held and it began full operations in June. In addition, in September the G20 Hangzhou Summit, the first to be hosted by China, was held in Hangzhou and discussions on the world economy were held.

Regarding U.S.-China relations, vigorous exchanges have been held. For example, President Xi Jinping held a summit meeting with President Obama three times, etc. At the U.S.-China Summit Meeting on the occasion of the G20 Hangzhou Summit, the two countries announced they would conclude the Paris Agreement, and that they were expanding working-level cooperation through dialogue and consultations such as in the climate change area.

### (D) Military affairs and security

China has continued to increase defense expenditures at a high level. However, the breakdowns of the budget, and the intention behind the increase has not been disclosed sufficiently. Under such circumstances, its nuclear and missile capabilities and military power centered on naval and air forces are assumed to have been enhanced extensively and rapidly in recent years. Furthermore, the Chinese People's Liberation Army (PLA) is working on organizational reforms and recently these reforms have taken shape at a rapid pace. In December 2015 ceremonies were held for the establishment of the Rocket Force, Strategic Support Force, etc. and then in January 2016 the general departments that were the headquarters for the entire PLA were replaced by 15 functional sections under the Central Military Commission. Moreover, in February the PLA's previous "seven military regions" were abolished and "five theaters of operations" were newly created. It is considered that these series of

reforms are designed to build military forces that can fight and win wars but China has not set out a clear and specific future vision of its military strengthening.

At the same time, unilateral activities by the Chinese military in the sea and airspace around Japan are on the increase, such as the setting of the “Air Defense Identification Zone (ADIZ) in the East China Sea” in November 2013, the first entrance of a Chinese Navy combatant vessel into the contiguous zone around the Senkaku Islands in June 2016, etc.

Such broad and rapid expansion of military capability lacking transparency, and continued attempts to unilaterally change the status quo are common regional concerns. Japan intends to urge through dialogue for an improvement of China's transparency and encourage China to be positively involved in the international order based on the rule of law, in cooperation with the countries concerned.

## **B** Japan-China Relationship

### **(A) Bilateral relations - General**

The relationship with China, the neighboring country across the East China Sea, is one of Japan's most important bilateral relationships, and the two countries have close economic relations and people-to-people and cultural exchange<sup>20</sup>. At the same time, Japan and China have numerous political and social differences. Thus, it is inevitable to have friction and conflicts, precisely because

the two countries are neighbors. Given this situation, Japan and China shared the view that they would build a “Mutually Beneficial Relationship Based on Common Strategic Interests” in 2006, based on the idea that it is important to develop the relations of the two countries by expanding their common interests in the context of contributing together to the international community. Since then, the leaders of the two countries have confirmed that they will promote a “Mutually Beneficial Relationship based on Common Strategic Interests.”

Following on from the previous year, generally speaking in 2016, Japan-China relationship was seen to tend toward improvement. In April Foreign Minister Kishida visited China in the context of bilateral relations, which was the first time for approximately four and a half years as the Foreign Minister of Japan where he made a courtesy call to Premier Li Keqiang and held a meeting with Foreign Minister Wang Yi. Foreign Minister Kishida explained his view on the bilateral relationship between Japan and China that is appropriate to a new era, that is, increasing the positive aspects of the relationship by expanding cooperation, as well as conducting candid exchanges and appropriately addressing difficult issues and concerns. This move toward an improvement in relations continued into the second half of the year and on the occasion of the Asia-Europe Meeting (ASEM) Summit (in Mongolia) in July, Prime Minister Abe held his second meeting with

<sup>20</sup> Since 1979, Japan has extended Official Development Assistance (ODA) of a cumulative total of more than three trillion yen to China. Approximately ten years ago, however, Japan terminated implementing new projects under Loan Aid and General Grant Aid, which had accounted for a large share of Japan's ODA to China, recognizing that ODA had already achieved a certain role in light of the economic development and improved technology level of China. Currently, ODA projects have been implemented to a limited degree in areas in which strict necessity for cooperation is acknowledged. Such areas include cross-border pollution, infectious diseases, and food safety, which directly affect the lives of the Japanese people. Technical Cooperation is the main form of cooperation (disbursements of 806 million yen in FY2015), while Grant Assistance for Grass-Roots Human Security Projects have also been implemented (disbursements of 106 million yen in FY2015). Furthermore, recently Japan has been proceeding with a new form of cooperation, in which China bears part of the costs.

Premier Li Keqiang. In the same month the two countries took the opportunity of the ASEAN-related Foreign Ministers' Meetings to hold the Japan-China Foreign Ministers' Meeting. In August there were intrusions by a large number of Chinese Government-owned vessels into Japan's territorial waters surrounding the Senkaku Islands but late in the month Foreign Minister Wang Yi visited Japan for the first time in order to attend the Japan-China-ROK Trilateral Foreign Ministers' Meeting.

Then on the occasion of the G20 Hangzhou Summit in September, Prime Minister Abe visited China and held his third summit meeting with President Xi Jinping. This meeting was positive and productive, based on the shared recognition of the two leaders that they would cooperate in areas where cooperation between Japan and China is possible in order to expand the "positive" aspects of the bilateral relationship and manage matters of concern to reduce the "negative" aspects. Prime Minister Abe and President Xi Jinping also held a short meeting at the APEC Economic Leaders' Meeting in Peru in November, and reaffirmed that they would improve Japan-China relations toward the milestone years of the 45th anniversary of the normalization of diplomatic relations between Japan and China in 2017 and the 40th anniversary of the Treaty of Peace and Friendship between Japan and the People's Republic of China in 2018. In the context of high-level dialogues being held frequently in this way, a range of dialogues and exchanges gained momentum and in November continuing on from the previous year the Japan-China Security Dialogue was held in Beijing, where views were exchanged about the security policies, etc. of both



Japan-China Summit Meeting (September 5, Hangzhou, China (pool photo); Photo: Cabinet Public Relations Office)  
Japan-China Foreign Ministers' Meeting (April 30, Beijing, China)

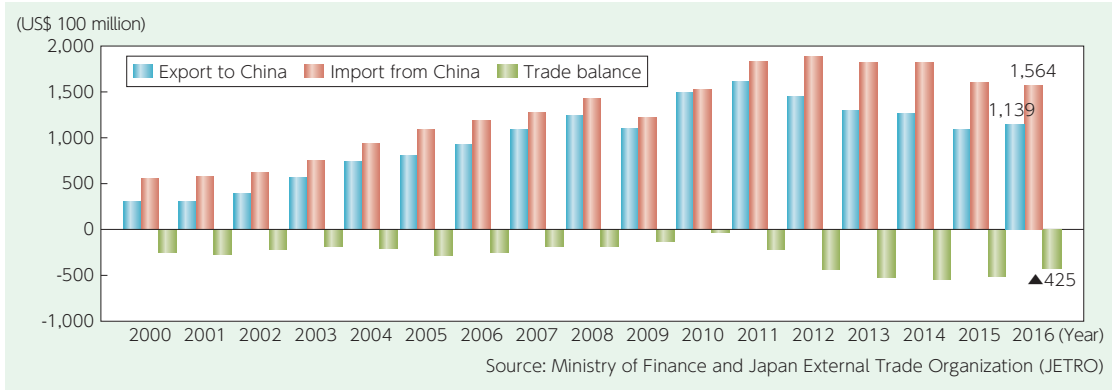


Japan-China Foreign Ministers' Meeting (April 30, Beijing, China)

Japan and China. In addition, in September and December, the Japan-China High-Level Consultation on Maritime Affairs was held, and views were exchanged about cooperation in the maritime affairs area, etc. Furthermore, in December the Japan-China Economic Partnership Consultation (Vice-Ministerial-Level) was held.

Japan and China share responsibility for the peace and stability of the region and the entire international community. Stable Japan-China relations are essential not only to the citizens of both countries, but also to the peace and stability of the Asia-Pacific region as a whole. Accordingly, based on the concept of the "Mutually Beneficial Relationship based on Common Strategic Interests," the Government of Japan will

Change in Japan's Value of Trade with China



Change in Japan's Direct Investment to China



promote the development of Japan-China relations from a broad perspective through continued dialogues and cooperation at various levels.

**(B) Japan-China economic relations**

Economic relations between Japan and China, including trade and investment, are close and interdependent. The total trade between Japan and China (excluding Hong Kong) amounted to about 270.3 billion US dollars in 2016, and China has been the largest trading partner for Japan for ten consecutive years. According to Chinese statistics, direct investment from Japan decreased to about 3.11 billion US dollars in 2016, due to increased labor costs: down

3.1% over the previous year (estimated based on officially published investment values). By country, Japan ranks fourth in terms of the amount of direct investment to China (Singapore ranks first and the ROK is second, followed by the U.S.).

In 2016, the necessity for dialogue and cooperation between Japan and China in the economic area was reaffirmed at the summit and foreign minister levels. In the Japan-China Foreign Ministers' Meeting, in April etc., Foreign Minister Kishida proposed cooperation regarding "five areas of cooperation ((1) macro-economy, financial and monetary affairs, (2) energy-saving and the environment, (3) a low birthrate and an aging population, (4) tourism, and (5)

disaster prevention)” in order to expand the positive aspects of Japan-China relations, and obtained a positive response from the Chinese side. Furthermore, in the Japan-China Summit Meeting on the occasion of the G20 Hangzhou Summit in September, Prime Minister Abe proposed to President Xi Jinping the promotion of cooperation in a variety of areas including the “five areas of cooperation,” etc. and the two leaders agreed to proceed with dialogue, cooperation, and a range of exchanges to expand the positive aspects of the relationship between the two countries.

In response to these developments, a range of dialogues and exchanges in the economic area were vigorously held. In April, Minister of Environmental Protection Chen Jining visited Japan to attend the Tripartite Environment Ministers Meeting, and in October, Minister of Commerce Gao Hucheng visited Japan to attend the Japan-China-ROK Economic and Trade Ministers’ Meeting. In November, Chairman of the National Tourism Administration Li Jinzao visited Japan and held a meeting with Minister of Land, Infrastructure, Transport and Tourism Keiichi Ishii. In addition, the ministerial-level Japan-China Comprehensive Energy Conservation and Environment Forum was held in Beijing, and the relevant ministers from Japan visited China. With regard to the Japan-China Economic Partnership Consultation in which high-ranking officials of relevant ministries and agencies get together from the two countries, following on from the previous year a vice minister-level meeting was held in December, where they held wide-ranging exchanges of views on Japan-China bilateral issues and cooperation, including the “five areas of cooperation,”

and on regional and multilateral issues and cooperation. Furthermore, regarding the import restrictions placed on food and agricultural products from Japan by the Government of China, Japan has taken every opportunity, particularly the Japan-China Summit Meeting in September 2016, to urge the Chinese side to carry out an evaluation based on scientific evidence, and has lobbied for the abolition and relaxation of the restrictions.

Economic exchanges at the private sector level were also actively carried out. In September, the Japan-China Economic Association, Keidanren (Japan Business Federation) and Japan Chamber of Commerce and Industry jointly dispatched a delegation to China, which had a meeting with top officials from the Government of China led by Vice Premier Zhang Gaoli. In November, a summit of CEOs, etc. from Japan and China was held in China, views were exchanged between the executives of major companies in Japan and China, and Premier Li Keqiang, etc. also participated.

On the working-level, various dialogues took place, including the 17th Japan-China Fisheries Joint Committee (November, Xiamen) and Japan-China governmental negotiations for Agreement on Social Security (June, Beijing and November, Tokyo).

### **(C) Promotion of mutual understanding between Japanese and Chinese people**

#### **(Current situation of people-to-people exchanges between Japan and China)**

The total number of Chinese visitors to Japan strongly increased in 2016 as well, growing by more than 1.5 million people over the previous year and setting a



A group of Chinese university students visiting Japan for the 28th Hiroshima Prefecture homestay (October 23 to October 30, Akiota, Hiroshima Prefecture; Photo: Japan-China Friendship Center)



A group of Chinese high school students visiting Japan for exchanges (1st group, Osaka Prefectural Kadoma Namihaya High School visit (September 16, Osaka Prefecture; Photo: Japan-China Friendship Center)



Intensive Month for Japan-China Exchanges (Japanese music: Taisho harp performance) (November 7, Beijing Foreign Studies University)

record high of 6.37 million people. In the tourism area, the shift from group tourism to individual tourism is striking, and an increase in tourism for which shopping is



Intensive Month for Japan-China Exchanges



Japan Autumn Festival in Hong Kong

not the only objective is being seen, and this reveals a high level of their interest in Japan.

〈Japan-China youth exchange, etc.〉

In 2016, Japan invited a total of about 2,700 Chinese high school and university students and others in the program “JENESYS (Japan- East Asia Network of Exchange for Students and Youths) 2.0.” Chinese young people that visited Japan experienced the various cultures and lifestyles, and felt the attractiveness of Japan through school exchanges and tours to businesses, while they deepened a mutual understanding with Japanese



## Column Japan-China film exchange puts the icing on the cake of the 45th anniversary of the normalization of Japan-China diplomatic relations

Movies portray the universal aspects of human beings, including family love, romance, and friendship, and they affect the hearts of people across national borders. For that reason, exchanges through attractive films help to further foster friendly relations between Japan and other countries.

2016 was a very successful year for the film industry of Japan. There was a series of hit movies, most notably *Your Name*, as the number of admissions to movie theaters in Japan recovered to the level of over 180 million for the first time in 42 years and hit an all-time high box office sales of 235.5 billion yen were recorded.

On the other hand, the film market in China, seen in terms of box office revenue, accounts for 45.712 billion yuan (750.1 billion yen, 1 yuan=16.41 yen, 2016), which is approximately three times more than that of Japan. Furthermore, in terms of the number of screens, there are 41,179 screens in China (as of December 2016), approximately 12 times the number in Japan.

Successful Japanese movies have also been fascinating people in China. In 2015 only two Japanese movies were screened commercially in China, but in 2016, 11 movies were screened, including *Your Name*.

The government also supports these developments in the private sector. At the Japan-China Summit Meeting held between Prime Minister Shinzo Abe and President Xi Jinping in September 2016, the two leaders consented to “enhance interaction in a variety of areas ahead of the 45th anniversary of normalizing diplomatic relations in 2017, the 40th anniversary of the Japan-China Treaty of Friendship and Peace in 2018, and the Olympic events in the two countries in 2020 and 2022.” Based on these developments, in November 2016 the Study Meeting on the Overseas Development of the Film Industry set up in the Prime Minister’s Office (Chair:



Poster in China for megahit *Your Name*  
©2016 TOHO CO., LTD. / CoMix Wave Films Inc. / KADOKAWA CORPORATION / East Japan Marketing & Communications, Inc. / AMUSE INC. / voque ting co., ltd. / Lawson HMV Entertainment, Inc. All Rights Reserved.



The press conference to announce the Japan-China co-production *KU-KAI* (October 28)  
© New Classics Media Corporation and Kadokawa Corporation 2016

Deputy Chief Cabinet Secretary Koichi Hagiuda) held discussions on the best approach to international exchanges through movies. Moreover, negotiations for a Film Co-production Agreement between the Government of Japan and the Government of the People's Republic of China began in order to boost film exchange between the two countries. Furthermore, six Chinese movies were screened at the Tokyo International Film Festival (in October and November) while 50 Japanese movies were screened at the Shanghai International Film Festival (June), and 22 at the Beijing International Film Festival (April). It is expected that in 2017 the two countries will witness further exchanges through film to commemorate the 45th anniversary of the normalization of diplomatic relations.

youth, and held vigorous exchanges of views about what the future Japan-China relationship should be. Furthermore, in 2016 under the Japan-China International Solidarity Project on Afforestation and Tree-Planting<sup>21</sup> Japan invited youth, etc. from China and for the purpose of raising awareness of the environment and disaster prevention as well as further encouraging understanding of Japan, etc. implemented tree-planting activities, seminars about the environment and disaster prevention, tours of companies and related facilities, etc.

#### (Exchanges in various fields)

To further develop Japan-China relations, the Government of Japan invites people at various levels in all walks of life to Japan, such as leaders of central and local governments in China, people having certain influence in the political, economic, public and academic sectors, and next-generation leaders and opinion leaders in addition to young people who will carry the next generation, such as high school students and university students, thereby making efforts for a wide range of relationship building and strengthening. The Chinese participants are expected to exchange views with various circles

and experts and go on inspection tours, hoping that a good relationship will be built between the invitees and Japanese parties concerned and Japan will be more accurately understood through these exchanges.

The Embassy of Japan in China referred to the period from October to November 2016 as the "Intensive Month for Japan-China Exchanges" and intensively implemented 41 cultural exchange projects in Beijing and Wuhan in collaboration with the private sector. A total of approximately 25,000 people participated in these projects and in addition, on the Internet SNSs were utilized to present live broadcasts and videos, etc. of the cultural exchange projects, which were viewed approximately 36 million times.

The Consulate-General of Japan in Hong Kong also held the "Japan Autumn Festival in Hong Kong-Rediscovering Nippon-" from October to November, and implemented 142 events and certified projects over a wide range of fields including sports, movies and art, seminars, etc.

<sup>21</sup> Size of budget: 9 billion yen (FY 2015 supplementary budget)

**(D) Individual outstanding issues****〈Situation surrounding the East China Sea〉**

Regarding the East China Sea, there continue to be intrusions by Chinese Government-owned vessels into the territorial waters around the Senkaku Islands and unilateral development of resources by China in the maritime area pending delimitation between Japan and China, and these actions are unacceptable to Japan.

In the territorial waters around the Senkaku Islands, China frequently dispatched government-owned vessels into the territorial waters around the Senkaku Islands throughout 2016, and repeated intrusions into the territorial waters 36 times (121 vessels in total). In particular in August a large number of Chinese Government-owned vessels intruded into the area around the Senkaku Islands together with Chinese fishing vessels, and repeatedly intruded into Japan's territorial waters.

To begin with, the Senkaku Islands are indisputably an inherent part of the territory of Japan in light of historical facts and based upon international law. Indeed, the Senkaku Islands are under the valid control of Japan. Consequently, there exists no issue of territorial sovereignty to be resolved concerning the Senkaku Islands. Since 1885, Japan had conducted repeated investigations and, having confirmed that there were no traces to suggest that the islands were under the control of the Qing dynasty, incorporated them into Japanese territory in January 1895. Subsequently, with the permission of the Government of Japan, numerous Japanese citizens settled on the Senkaku Islands, where they engaged in business activities such as the



A Chinese maritime platform confirmed to have been built near to the geographical equidistance line between Japan and China. (Photo: Ministry of Defense)  
See the link below for details: [http://www.mofa.go.jp/a\\_o/c\\_m1/page3e\\_000356.html](http://www.mofa.go.jp/a_o/c_m1/page3e_000356.html)

manufacture of dried bonito flakes. After World War II, the Senkaku Islands were placed under the administration of the U.S. by the San Francisco Peace Treaty. From 1895, when Japan obtained territorial title over the Senkaku Islands by lawful means under international law, until the 1970s, when the islands became the focus of attention after it was suggested that there might be oil reserves in the East China Sea, China did not raise any objections to Japan's sovereignty over the Senkaku Islands. Moreover, China has never explained why it had not expressed objections.

The Government of Japan will continue to cooperate closely with the countries concerned and the international community,

and deal with the situation with resolute determination to defend Japan's territorial land, sea, and airspace. We have repeatedly used diplomatic channels to lodge strong protests and request the withdrawal of Chinese vessels.

Furthermore, in recent years, China has accelerated its development activities of natural resources in the East China Sea. The Government of Japan has newly confirmed 12 structures since June 2013, and a total of 16 structures including those confirmed before then, on the Chinese side of the geographical equidistance line.

The Exclusive Economic Zone and the continental shelf in the East China Sea have not yet been delimited. Japan takes a position that maritime delimitation should be conducted based on the geographical equidistance line between Japan and China. In this regard, under the circumstances pending maritime boundary delimitation, it is extremely regrettable that China is advancing unilateral resource development. Every time China's related moves are recognized, Japan has strongly requested China to cease its unilateral development and to resume negotiations as soon as possible on the implementation of the "June 2008 Agreement" in which Japan and China agreed to cooperate on the development of natural resources in the East China Sea.

In this context, Japan and China exchanged views regarding the "June 2008 Agreement" in the fora of the 5th Round Meeting and Working Group Meetings and Sixth Round Meeting and Working Group Meetings of Japan-China High-Level Consultation on Maritime Affairs in September and December. Japan will continue to strongly request China to resume

negotiations immediately and implement the agreement as soon as possible.

With regard to the "Maritime and Air Communication mechanism between Japan-China defense authorities" to avoid unexpected situations, on the occasion of the Japan-China Summit Meeting held on 6 September 2016 the two parties shared the view that they would accelerate consultations toward early start of operation of the mechanism, then they held the 6th joint working group meetings in November, and in addition they held frank exchanges of views at the 5th and 6th Round Meeting of Japan-China High-Level Consultation on Maritime Affairs held in September and December. Both Japan and China share the view to continue to have consultations for early start of operation of the mechanism (See 1-1 (2), 2-1-6 and 3-1-3 (4)).

#### 〈Abandoned chemical weapons issue〉

The Government of Japan, pursuant to the Chemical Weapons Convention (CWC), has been working on the disposal of abandoned chemical weapons in China. In 2016 disposal by mobile disposal facilities was carried out in Shijiazhuang City, Hebei; and test disposal took place in Haerbaling District in Dunhua, Jilin Province. The disposal of a cumulative total of about 45,000 abandoned chemical weapons has been completed (as of January 2017).

## (2) Taiwan

### A Internal Affairs

In the presidential election in January, Chairperson of the Democratic Progressive Party, Tsai Ing-wen was elected and the Democratic Progressive Party also won its outright majority in the Legislative Yuan elections, in which the ruling party was replaced by the opposition party for the first

time in eight years. President Tsai Ing-wen listed issues including pensions, education, energy and resources, demographic structure, environmental contamination, finance, judicial issues, food safety and the gap between rich and poor in her inaugural speech on May 20, and positioned the low income and difficult circumstances facing young people as the most important issue.

Regarding the economy, exports and consumption slightly recovered and the real GDP growth rate in 2016 increased by 1.40% (estimated figure) year on year.

### **B Cross-strait Relations and Foreign Affairs**

Since the inauguration of the Tsai Ing-wen administration, exchanges and communications by the liaison institutions in both China and Taiwan (the Association for Relations Across the Taiwan Strait, and the Straits Exchange Foundation) have been discontinued, and the number of tourists from China to Taiwan has dramatically decreased. In this context, on the occasion of the APEC Economic Leaders' Meeting in Peru in November, Chairperson of the People First Party, James Soong Chu-yu, attended as the representative of Chinese Taipei, and held a short meeting with President Xi Jinping.

### **C Japan-Taiwan Relationship**

The relationship between Japan and Taiwan is maintained on the basis of working relations at the non-governmental level, in accordance with the 1972 Joint Communiqué between Japan and China. For Japan, Taiwan is a crucial partner and an important friend, with which it shares

basic values such as freedom, democracy, basic human rights, and the rule of law, and enjoys close economic relations and people-to-people exchanges. Amidst this, working relations are deepened day by day. In 2016 the cooperation documents of (1) product safety and (2) language education exchanges between the Interchange Association<sup>22</sup> and the Association of East Asian Relations were signed.

Regarding the import restrictions imposed on Japanese food products by Taiwan after the Great East Japan Earthquake, the Japanese side has repeatedly requested the Taiwanese side through the Interchange Association for removal and relaxation of the restrictions that are not based on scientific evidence. Furthermore, in order to discuss the various maritime issues, in October the dialogue on maritime cooperation between Japan and Taiwan was held between the Interchange Association and the Association of East Asian Relations.

### **(3) Mongolia**

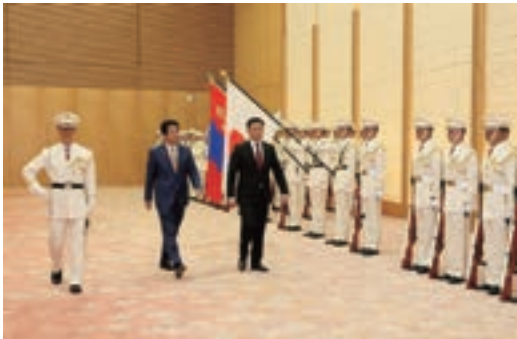
#### **A Domestic Affairs**

The result of the State Great Khural (unicameral parliament, four-year term of office) general election held in June was that the opposition People's Party won an overwhelming victory, capturing 65 of the 76 parliamentary seats and securing an absolute stable majority of seats. On the other hand, the ruling Democratic Party suffered a huge defeat, losing 29 seats. Based on the results of this election, People's Party leader Miyegombyn Enkhbold became the new chairman on July 5, former Minister of Finance Jargaltulga Erdenebat became the

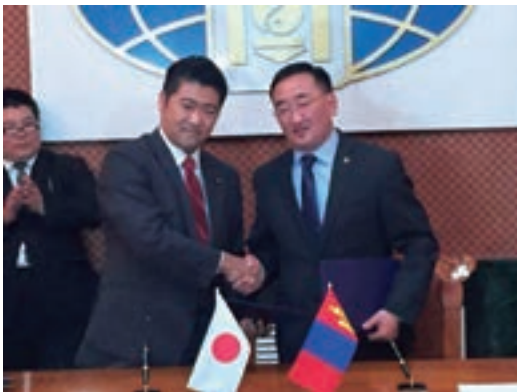
<sup>22</sup> The Interchange Association changed its name to the Japan-Taiwan Exchange Association on January 1, 2017.



Visit of Prime Minister Abe to Mongolia: welcoming ceremony at Sukhbaatar Square (July 14, Ulaanbaatar, Mongolia; Photo: Cabinet Public Relations Office)



Visit of Prime Minister Erdenebat to Japan: salute and guard of honor ceremony (October 14, Tokyo; Photo: Cabinet Public Relations Office)



State Minister for Foreign Affairs Kihara carrying out the signing with Minister for Foreign Affairs Purevsuren at the first Joint Committee meeting of the Japan-Mongolia EPA (June 7, Ulaanbaatar, Mongolia).

new Prime Minister on July 8, and all of the ministers were appointed by July 30, and a new cabinet aiming to be a “professional cabinet” was inaugurated.

The situation of economic and fiscal slowdown and stagnation faced by the new Cabinet is extremely severe. The Mongolian

economy recorded a GDP growth of 17.3% in 2011, but was subsequently affected by the economic slowdown in China, its largest trading partner, and the stagnation in resources prices, etc. and the mining industry, the country’s major industry which accounts for 20% of GDP, fell into a slump. Moreover, as a result of the trade deficit due to an economic structure that depends on importing food products, daily necessities, and oil, etc., as well as a rapid decrease in foreign direct investment and a large decrease in foreign currency reserves due to restrictive investment policies and laws against the backdrop of its resource nationalism, the GDP growth rate fell to 2.3% in 2015. In 2016, the exchange rate for the Mongolian currency recorded an all-time low, and the fiscal deficit is also in an extremely severe situation.

## B Japan-Mongolia Relations

Mongolia is an important regional partner, which shares fundamental values with Japan, so Japan will continue to further strengthen the friendly relationship of the two countries, which is positioned as a “Strategic Partnership,” so that the relationship to be truly mutually beneficial.

In 2016, high-level exchanges were actively carried out following the previous year. Mongolian Minister for Foreign Affairs Lundeg Purevsuren visited Japan (May), followed by Chairman Zandaakhuu Enkhbold of the State Great Khural (June), Minister for Foreign Affairs Munkh-Orgil (September) and Prime Minister Erdenebat (October). In July, Prime Minister Abe made his third visit to Mongolia and held his ninth summit meeting with President Elbegdorj. In June, the Japan-Mongolia Economic Partnership Agreement (EPA) entered into

force, the first such agreement for Mongolia, and the first meeting of the joint committee established based on the EPA was held in Ulaanbaatar, attended by State Minister for Foreign Affairs Seiji Kihara and Minister for Foreign Affairs Lundeg Purevsuren.

In many of these meetings, they exchanged views on a broad range of fields keeping in mind the further strengthening of mutually-beneficial relations toward 2017, the 45th anniversary of the establishment of diplomatic relations between the two countries (in 1972).

### 3 Southeast Asia

#### (1) Indonesia

The Joko administration inaugurated in October 2014 has so far increased its support from the people by implementing two cabinet reshuffles, reforms of the social welfare system, reforms of the education system and other economic policies, and the administration is further increasing stability. On the other hand, as can be seen in the large-scale demonstrations and crowds on November 4 and December 2, 2016, each of the political forces are stepping up their activities as the February 2017 Jakarta gubernatorial election approached.

In relations with Japan, meetings between the leaders and ministers were held following the previous year and relations with the Joko administration were strengthened. President Joko, who visited Japan for the outreach meeting for the G7 Ise-Shima Summit in May, held a conversation with Prime Minister Abe and confirmed that both would proceed with cooperation in the infrastructure area, etc. Furthermore, on the occasion of the UN General Assembly in September,



Prime Minister Abe shaking hands with President Joko of Indonesia visiting Japan for the outreach meeting for the G7 Ise-Shima Summit (May 27, Mie Prefecture).

Foreign Minister Kishida held a meeting with Foreign Minister Retno and they shared the view that they would further strengthen their “strategic partnership” and to cooperate with each other in bilateral relations in addition to regional issues such as the South China Sea, North Korea, etc.

In December, Coordinating Minister for Maritime Affairs Luhut visited Japan and signed the Memorandum of Cooperation with Foreign Minister Kishida to set up the Japan-Indonesia Maritime Forum for encouraging cooperation in the maritime area between Japan and Indonesia going forward both as maritime nations.

Also in December, Japan provided emergency relief goods (500 tents worth 6,600,000 yen) to Indonesia, through the Japan International Cooperation Agency (JICA) following serious damage from the earthquake disaster in Aceh.

#### (2) Cambodia

Cambodia is located in a strategic point of the Southern Economic Corridor and serves as a key country in strengthening connectivity and narrowing regional development gap in the Mekong region. The country has been promoting a development



Parliamentary Vice-Minister for Foreign Affairs Odawara attending the Official Inauguration Ceremony of the Sunrise Japan Hospital (September 20, Phnom Penh, Cambodia).

policy with emphasis on the enhancement of governance, with the aim of entering the group of Upper Middle-Income Countries in 2030.

Japan has been cooperating actively with Cambodia, including through the Cambodian peace process in the late 1980s and in its subsequent reconstruction and development process. In 2013 the relations between the two countries were elevated to a “strategic partnership.” In 2016 taking the opportunity of the Asia-Europe Meeting (ASEM) Summit Meeting (in Mongolia), the Japan-Cambodia Summit Meeting was held. Prime Minister Abe stated that Japan would continue to support Cambodia through initiatives such as exporting quality infrastructure, strengthening Mekong connectivity and developing industrial human resources, and in response, Prime Minister Hun Sen once again expressed his support for Japan’s policies for peace including Proactive Contribution to Peace and Legislation for Peace and Security. In addition from Cambodia, President of the Senate Say Chhum visited Japan in February upon invitation from Masaaki Yamazaki, President of the House of Councillors, and from Japan, Parliamentary

Vice-Minister for Foreign Affairs Masakazu Hamachi visited Cambodia in March and Parliamentary Vice-Minister for Foreign Affairs Kiyoshi Odawara visited Cambodia in September.

In recent years, an expansion of the bilateral relationship has been seen in a variety of areas such as an increase in the number of Japanese residents and Japanese companies in Cambodia, and vitalized exchanges between local governments, etc. In May 2016, the Japan-Cambodia Air Services Agreement entered into force, and in September direct flights began operating between Narita and Phnom Penh.

Regarding domestic affairs, political discord between the ruling and opposition parties has continued since the opposition party became much stronger in the National Assembly (lower house) election in 2013, and in 2016 tensions rose as judicial proceedings were conducted against leading figures from the opposition party and people involved in civil society. Trends going forward are being closely watched in the run-up to the local elections in 2017 and the general elections in 2018.

In the Khmer Rouge Trials which Japan has been supporting for many years, two former leaders of the Khmer Rouge regime, including a former head of state, were given sentences of life imprisonment by the Supreme Court Chamber in November 2016.

### (3) Singapore

2016 is the 50th anniversary of the establishment of diplomatic relations between Japan and Singapore, and a variety of commemorative projects were successfully held in the two countries, deepening the friendly relationships





Official logo for the 50th anniversary of the establishment of Japan-Singapore diplomatic relations



Foreign Minister Kishida shaking hands with Minister for Foreign Affairs Balakrishnan of Singapore (April 26, Tokyo).

between the people of the two countries. Furthermore, there were even more visits by dignitaries to the two countries than in 2015.

In April, Minister for Foreign Affairs Balakrishnan came to Japan and on April 26, the day on which diplomatic relations were established between the two countries 50 years ago, he held a Foreign Ministers' Meeting with Foreign Minister Kishida, and they confirmed that they would further strengthen cooperation not only in bilateral relations but also regarding the regional and international situation.

On the economic front, a number of Japanese companies have established regional headquarters in Singapore, and cooperation between companies from the two countries continues to progress in the area such as infrastructure. Furthermore,

the two countries work together to actively carry out technical cooperation as well as intellectual and cultural exchanges targeting developing countries through the "Japan-Singapore Partnership Program 21 (JSPP21)."

Furthermore, when Prime Minister Abe and Foreign Minister Kishida stopped over in Singapore in August en route to Kenya to attend the Sixth Tokyo International Conference on African Development (TICAD VI), they made a call of condolence to former president S.R. Nathan who had passed away the same month.

When Prime Minister Lee Hsien Loong visited Japan in September, a summit meeting was held and Prime Minister Abe presented Prime Minister Lee the Grand Cordon of the Order of the Paulownia Flowers, which was conferred upon the former prime minister Lee Kwan Yew who passed away in 2015, and also confirmed further strengthening of cooperation between the two countries.

From November to December, President Tan and his spouse paid a State Visit to Japan and held a summit meeting with Prime Minister Abe.

#### (4) Thailand

Thailand is located in the center of the Mekong region. There exists a "strategic partnership" relationship between Japan and Thailand. A lot of production bases of Japanese companies are in Thailand as a consequence of investment accumulated over the years. Nowadays, they serve as an essential part of supply chains on a global scale for the Japanese economy.

After the coup led by the military in May 2014, under the parliament and interim cabinet established by the

military government, a process to restore democracy has been under way. A new draft constitution was approved in a national referendum held in August 2016, and going forward Thailand plans to undertake the necessary procedures to promulgate the constitution. It is not likely before the end of 2017 that democracy will be restored through the implementation of parliamentary elections.

As a consequence of the demise on October 13, 2016 of His Majesty King Bhumibol, who was loved and respected as figure of spiritual support for the people and led the development of Thailand over the course of a long reign of 70 years since acceding to the throne in 1946, the new king, His Majesty King Vajiralongkorn, acceded to the throne on the same day (the announcement of the accession was on December 1).

Various levels of exchanges, including political and economic, have been carried out between Japan and Thailand on the foundation of the close relationship between the imperial and royal families. In May 2016, Foreign Minister Kishida implemented his first bilateral visit to Thailand since he took office. During this visit, a wide-ranging exchange of views regarding bilateral relations, the regional affairs, etc., was held, and in addition, the Memorandum of Intent on deepening the cooperation in agriculture and its related areas was signed. Furthermore, in July on the occasion of the ASEAN-related Foreign Ministers' Meetings (in Laos) Minister Kishida held a bilateral Foreign Ministers' meeting. In September, the President of the National Legislative Assembly Pornpet visited Japan and paid courtesy calls on the President of the House of Councillors and

the Speaker of the House of Representatives of Japan. Moreover, in December the second meeting of the high-level joint committee was held, and an exchange of views regarding various points related to the economic relations between the two countries was held.

#### (5) Timor-Leste

Timor-Leste, as the first independent country of the 21st century, has realized peace and stability with the support of the international community and is building the nation based on democracy under President Ruak elected in 2012 and Prime Minister Araujo appointed in 2015. In July 2011, a "Strategic Development Plan (SDP)" (long-term guidelines for development policy up until 2030) was formulated, and the country is currently proceeding from the stage of post-conflict reconstruction to the new stage of full-scale development. Japan will continue to fully boost the efforts of Timor-Leste as it proceeds to this new stage, while continuously maintaining close cooperation in the international arena. Furthermore, Japan supports Timor-Leste's targeted policy of acceding to ASEAN smoothly and assists in human resources development toward the accession.

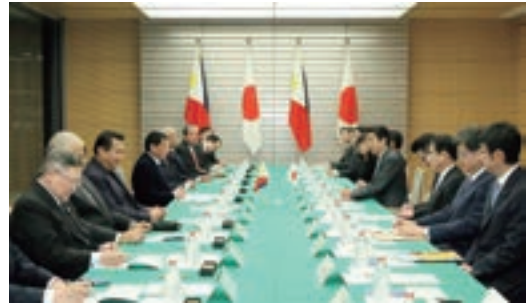
In March 2016, President Ruak paid a Working Visit to Japan to hold the Japan-Timor-Leste Summit Meeting with Prime Minister Abe and they issued the joint press release on the "Evolved Partnership for Growth and Development" and agreed to develop the relations between the two countries from "cooperative relations in the period of reconstruction after conflict" to "cooperative relations in an era of growth and development." Vigorous high-level exchanges are continuing. For example,

in June Minister of Defense Gen Nakatani visited Timor-Leste and in October, Minister of Planning and Strategic Investment Gusmão came to Japan.

## (6) The Philippines

In the Philippines, the term of office of President Benigno Aquino came to an end, and as a result of the May 2016 presidential election, the new Duterte administration was inaugurated. President Duterte contributed to improving law and order in Davao City when he was the mayor of Davao, and after his inauguration as president, he established measures to combat illegal drugs as an important issue for his administration and has been strengthening the crackdown on drugs. Regarding peace in Mindanao, he is working on the implementation of the comprehensive peace agreement agreed by the previous Aquino administration and is aiming to introduce a federal system to the Philippines. Regarding the economy, in recent years the Philippines has been maintaining strong economic growth. The Duterte administration has continued the macroeconomic policies of the Aquino administration and is working on tax reforms, infrastructure development, etc., under 10-point socioeconomic agenda.

In relations with Japan, 2016 marked the 60th anniversary of the normalization of diplomatic relations between Japan and the Philippines. Regarding relations with the new Duterte administration, Foreign Minister Kishida visited Davao City, the hometown of President Duterte, in August and held a meeting with the president and Foreign Secretary Yasay. Furthermore, in October, President Duterte paid an Official Visit to Japan and held a summit meeting



Japan-Philippines Summit Meeting (October 26, Tokyo; Photo: Cabinet Public Relations Office)



Joint press announcement by the leaders of Japan and the Philippines (October 26, Tokyo Photo: Cabinet Public Relations Office)



Japan-Philippines Foreign Ministers' Meeting (August 11, Davao, Philippines).

with Prime Minister Abe. Prime Minister Abe stated that Japan would continue to support the initiatives of President Duterte, including building the maritime capacity of the Philippines, peace in Mindanao, infrastructure development, etc., and the leaders confirmed that they would further strengthen the “strategic partnership” of the two countries in a wide range of areas.

### (7) Brunei

Brunei was achieving high economic levels and excellent social welfare, thanks to rich natural resources. However, the economic growth rate has fallen in the past few years, caused by falling prices of crude oil and natural gas so the Government of Brunei is aiming for the diversification of industry.

Japan and Brunei have maintained a good relationship based on the foundation of a stable supply of liquefied natural gas (LNG) that has been continuing for many years. Japan intends to actively contribute to industry diversification, in which Brunei is making efforts. Based on that thinking, Japan supports Brunei officials training in Japan. Furthermore, Brunei has been serving as the ASEAN's Country Coordinator for Japan for three years since August 2015.

In relations with Japan, high-level exchanges were held vigorously following the previous year. Foreign Minister Kishida held meetings with Second Minister of Foreign Affairs and Trade Lim Jock Seng in January (in Tokyo), July (in Laos), and November (in Peru), and they confirmed that they would strengthen bilateral relations and cooperate closely toward further development of Japan-ASEAN



Foreign Minister Kishida shaking hands with Minister at the Prime Minister's Office and Second Minister of Foreign Affairs and Trade Lim Jock Seng (July 25, Vientiane, Laos).

relations.

In June, measures restricting imports of food products from Japan after the Great East Japan Earthquake were partially eased in Brunei. Japan is continuing to call upon Brunei to lift the remaining restrictions as soon as possible.

Furthermore, there are many cultural and people-to-people exchanges, including sports exchanges. For example, in October a Japan-Brunei badminton exchange commemorating the 70th birthday of Sultan Bolkiah was carried out and from Japan, a total of seven people including the Nippon Badminton Association, the coach, and the national team members visited Brunei to hold a badminton tournament and practice matches with Bruneian badminton players and the general public, etc.

### (8) Viet Nam

Located next to sea lanes in the South China Sea and having a long border line with China, Viet Nam is a geopolitically important country. Given that the country embraces the 3rd largest population in Southeast Asia, and experiencing a surge in the number of those in middle-income brackets, Viet Nam is becoming a promising market. While the economy slowed down from the late 2000s, it is on a recovery trend in recent years thanks to efforts of macro-economic stabilization such as curbing inflation, and foreign investment promotion through the development of infrastructure and improvement of the investment environment. Furthermore, the country is working on a reform of the financial sector and state-owned enterprises and participated in the Trans Pacific Partnership (TPP) agreement to diversify the economy, etc.

With regard to domestic affairs, the

National Congress of the Communist Party of Viet Nam (CPV), organized every five years, was convened in January 2016. General Secretary Trong was re-elected, and the new leadership of the Party was inaugurated. At the National Assembly convened from around March to April, President Quang (the head of state) and the Prime Minister Phuc were newly elected. However, in Viet Nam, which adopts a collective leadership, a significant change in policy on domestic and external affairs is unlikely to happen. Note that in recent years, awareness about the importance of incorporating democratic elements is gradually increasing even under the one-party leadership, as seen by the fact that a vote of confidence is implemented for the ministers in the national assembly and for the Politburo and the Secretariat members in the Communist Party.

In response to the situation in which China continues land reclamation and the construction of outposts in the Spratly Islands, etc., Viet Nam is seen to have a sense of vigilance against China over the situation in the South China Sea. In terms of relations with the U.S., the relationship is developing, as U.S. President Obama visited Viet Nam in May and announced the full lifting of the arms embargo on Viet Nam, etc.

Japan is the largest donor of Official Development Assistance (ODA) and the second largest investor country for Viet Nam. Japan-Viet Nam relations have been progressing in a wide range of fields, such as economic cooperation, security, and cultural exchange, based on the “Extensive Strategic Partnership.” Mutual high-level exchanges and VIP visits are continuing, including the following: Prime Minister

Abe held a summit meeting in the Prime Minister’s Office with Prime Minister Phuc, who came to Japan to attend the outreach meeting for the G7 Ise-Shima Summit in May, and held further meetings with him on the occasion of the ASEM Summit (in Mongolia) in July and the ASEAN-related Summit Meetings (in Laos) in September, and in addition, on the occasion of the APEC Economic Leaders’ Meeting in Peru in November, he held a meeting with President Quang.

### (9) Malaysia

The Najib administration has been steadily implementing a “new economic model,” a “government transformation program,” and an “economic transformation program” under the slogan of “One Malaysia (nation first, prompt execution).” All of these programs were announced in 2010 to facilitate ethnic reconciliation, the enhancement of administrative reform, and the improvement of public welfare. Furthermore, in 2015 it announced the “11th Malaysia Plan (a five-year plan from 2016 to 2020),” and the country, with the aim to enter the group of advanced countries by 2020, proceeds with deregulation and liberalization to strengthen international competitiveness while maintaining a steady growth at home, supported by investment and domestic consumption.

Concerning its relationship with Japan, many visits of VIPs were implemented again in 2016. In May 2016, Deputy Prime Minister and Minister of Home Affairs Dato’ Seri Dr. Ahmad Zahid Hamidi visited Japan and paid a courtesy call on Prime Minister Abe, and in addition, held meetings with Deputy Prime Minister and Finance Minister Taro Aso and Foreign



Prime Minister Abe greeting Prime Minister Najib of Malaysia (November 16, Tokyo; Photo: Cabinet Public Relations Office)



Japan-Malaysia Foreign Ministers' Meeting (July 28, New York, U.S.).

Minister Kishida in which it was confirmed they would further develop the bilateral relations. Furthermore, in July in New York, Foreign Minister Kishida held a meeting with Minister of Foreign Affairs Dato' Sri Anifah bin Aman and they confirmed they would cooperate closely on issues in the region and the international community as fellow UN Security Council members from Asia. At the summit meeting in November when Prime Minister Najib visited Japan, the two leaders shared the view that they would further strengthen bilateral cooperation

based on their “strategic partnership” toward 2017, the 60th anniversary of the establishment of diplomatic relations.

On the economic front, close cooperation continues, as shown by the fact that Japan is the largest investor for Malaysia and the number of Japanese-affiliated companies operating in Malaysia amounts to as many as 1,400.

The Look East Policy, which serves as a foundation for the good bilateral relationship, celebrated its 30th anniversary in 2012. In this program, about 15,000 people have studied or have been trained in Japan so far. Currently, Malaysia is considering a program referred to as “Look East Policy 2.0” to expand and improve the quality of the Look East Policy. The two countries are cooperating in making the Malaysia Japan International Institute of Technology (MJIIT), which was opened in September 2011, a base for Japanese-style engineering education in ASEAN. The possibility of cooperation is also being studied in a high-speed railway project between Malaysia and Singapore.

## (10) Myanmar

In Myanmar, in the general election in November 2015 the National League for Democracy (NLD), led by Aung San Suu Kyi, the leader of the movement for democratization, won a major victory and a new NLD government was inaugurated in late March 2016. Aung San Suu Kyi became the State Counsellor and Union Minister for Foreign Affairs and has established a position as the de facto top state leader, due to the constitutional hurdle which presents her from becoming a president. Htin Kyaw, who was her close aide for many years, was elected president by parliament.

The new administration is working on a cease-fire agreement with ethnic minority groups and the realization of domestic peace and national reconciliation. In addition to carefully maintaining relations with the armed forces, who still have strong political influence. Furthermore, it has announced new economic policies and has clarified policies oriented toward welcoming foreign investment as well as deregulation. On the diplomatic front, it is taking the stance of maintaining the conventional non-aligned neutrality while strengthening relations with neighboring countries.

The international community welcomed the inauguration of the first democratic administration in Myanmar for approximately half a century. With the recognition that the stability of the new administration is essential for the stability and prosperity of Myanmar and the region overall, Japan's policy intendeds to provide full-fledged support to Myanmar under the new regime and in cooperation with the government and private sectors. For example, Japan announced that its public and private sectors would contribute 800 billion yen over five years.

In November State Counsellor Aung San Suu Kyi visited Japan and held meetings with Prime Minister Abe and Foreign Minister Kishida respectively. Prime Minister Abe once again communicated the policy of full-fledged support in cooperation between the government and private sectors, and State Counsellor Aung San Suu Kyi stated that "Japan is a trustful partner" and expressed her expectations toward the support provided by Japan. Furthermore, wide-ranging consultations were held regarding cooperation measures for the economic development, peace, and

stability of Myanmar, improvement of the investment environment and the regional situation, etc.

### (11) Laos

Laos is a land locked country bordering the five countries of China, Myanmar, Thailand, Cambodia, and Viet Nam. The country is the key to the connectivity of the Mekong region. In recent years, Laos has been attracting more attention as an investment destination for Japanese companies, and economic exchanges including private sector investment have been becoming active. In May 2016, the Japan-Laos Air Services Agreement entered into force. The relations of the two countries have deepened in a wide range of areas, and the importance of Laos as a "strategic partner" of Japan is growing.

With regard to domestic affairs, 2016 was a year in which major political changes occurred. In January, the 10th Congress of the Lao People's Revolutionary Party was held where the appointment of the new party leadership was announced, and new General Secretary Bounnhang took office. The 8th National Parliamentary elections in March were held in conjunction with the restored provincial council elections, the first in 25 years. Following on from this, in April, the new leadership of the government was elected, General Secretary Bounnhang also became president, and Thongloun Sisoulith became the new prime minister.

In 2016, as Laos served as the chair country of ASEAN, its leadership in the international community attracted attention and many dignitaries visited Laos. Particularly notable was that President Obama visited Laos to attend the ASEAN-related Summit Meetings, marking the first

visit by a U.S. President to Laos.

Regarding relations with Japan, immediately after his inauguration, Prime Minister Thongloun visited Japan in May in order to attend the outreach meeting at the G7 Ise-Shima Summit. In addition, Foreign Minister Kishida visited Laos in May and July (in July to attend the ASEAN-related Foreign Ministers' Meetings), and following that in September, Prime Minister Abe visited Laos to attend the ASEAN-related Summit Meetings. Therefore, the closest and most high-level exchanges were realized in the history of the two countries in 2016 alone, including the two summit meetings and three foreign ministers' meetings.

## 4 South Asia

### (1) India

Geopolitically speaking India is an extremely important country as it faces the Indian Ocean connecting Asia and Africa and is positioned in the center of sea lanes. Moreover, India has the 3rd largest economy in Asia, with the world's 2nd largest population and a huge middle-income group. Japan and India are the two largest democratic countries in Asia, sharing common universal values, such as democracy and the rule of law, as well as strategic interests.

The Indian economy has been maintaining a high economic growth rate of around 7% since Prime Minister Modi took office in May 2014. In addition to the booming stock market, consumption and production have been increasing, and the foreign direct investment emphasized by Prime Minister Modi has also been rising steadily against a backdrop of deregulation.

In diplomatic relations, Prime Minister



Prime Minister Abe shaking hands with Prime Minister Modi of India (November 11, Tokyo; Photo: Cabinet Public Relations Office)



The two leaders visiting a Shinkansen plant (November 12, Kobe City, Hyogo Prefecture; Photo: Cabinet Public Relations Office)

Modi has put forward the “Act East” policy and is developing active diplomacy that promotes specific cooperation in the Asia-Pacific region, thereby enabling India to gain more influence in the international arena as a global power.

Regarding relations with Japan, in 2016 three summit meetings were held. The highlight was the meeting on the occasion of Prime Minister Modi's visit to Japan in November. In addition to the signing of the Agreement between the Government of Japan and the Government of the Republic of India for Cooperation in the Peaceful Uses of Nuclear Energy, steady progress was made in the high-speed rail project, and great achievements were made in various areas including industrial human



resource development, thus substantially advancing the “new era in Japan-India relations”. Furthermore, Prime Minister Abe and Prime Minister Modi shared the view that they would drive peace and prosperity in the Indo-Pacific region and the world by linking the “Free and Open India and Pacific Strategy” and “Act East” policy. During his stay in Japan, Prime Minister Modi made a trip by Shinkansen together with Prime Minister Abe and visited a Shinkansen plant in Kobe.

## (2) Pakistan

Pakistan is located in a strategic location connecting Asia and the Middle East. Thus, its political stability and economic development are essential for the stability and growth of the region. Pakistan is also the most important country in the context of international counterterrorism measures. Furthermore, the country embraces a population of around 190 million, and approximately 60% of the total population is under 25 years old, thus making its economic potential high.

In security, Prime Minister Sharif has identified security improvement as a top priority. Since June 2014 the Pakistani military has conducted operations against armed forces including the Tehrik-i-Taliban Pakistan (TTP), and the number of terrorist incidents was reduced by approximately half in 2015 and by approximately 30% in 2016 compared to the previous year.

In foreign affairs, Prime Minister Sharif has been aiming to improve the relations with neighboring countries including India. In December 2015, the reopening of a full-fledged dialogue was expected when Prime Minister Modi of India paid a surprise visit to Pakistan. However, after the terrorist attack

on an Indian Air Force station in January 2016, India-Pakistan relations have been tense. Furthermore, under the “all-weather strategic cooperative partnership,” relations with China have been enhanced in a wide range of fields toward the construction of an economic corridor between China and Pakistan, which is an important constituent element of China’s initiative, “One belt, One road.” Regarding the relationship with Afghanistan, the Quadrilateral Coordination Group (QCG: with the participation of Pakistan, Afghanistan, the U.S., and China) has been holding discussions on peace and reconciliation process since January 2016, but the group’s consultations have been stalled. Furthermore, there remain many issues between the two countries, including border control, refugee issues, etc.

On the economic front, structural reforms have been completed under the three-year International Monetary Fund (IMF) program implemented from September 2013. Due to this program, macroeconomic indicators have been generally improving, including foreign exchange reserves and a continued growth rate around the 4% mark.

Regarding the relationship with Japan, a summit meeting between Prime Minister Abe and Prime Minister Sharif, and a foreign ministers’ meeting between Foreign Minister Kishida and Advisor to the Prime Minister on Foreign Affairs Aziz were held respectively on the occasion of the UN General Assembly in September. With regard to the regional situation, Japan requested at the Summit meeting that the safety of Japanese nationals be ensured and called for improvement of the business environment in view of promoting economic activities.

### (3) Bangladesh

Bangladesh, in which Muslims account for around 90% of the population, is a democratic country located in the Bay of Bengal and is geopolitically very important as an intersection between India and ASEAN.

The Awami League administration led by Prime Minister Hasina has been stable. However, following the terrorist incident in October 2015 in which a Japanese national was murdered, attacks on secular bloggers and terrorist incidents targeting Shiite Muslim and Hindu religious facilities and security authorities have continued occurring in 2016. While the Government of Bangladesh had tightened security for foreign nationals through crackdowns on domestic Islamic extremists, a terrorist attack occurred in Dhaka on July 1 (local time), killing more than 20 people including seven Japanese nationals, and an organization calling itself ISIL Bangladesh claimed responsibility for the attack. Subsequently, measures to combat terrorism have been advanced by the security authorities, including exposing Islamic extremist groups and setting up numerous checkpoints but the threat of terrorism still remains throughout the country.

On the economic front, the country, though classified as a least developed country, maintained a steady economic growth rate of around 7.1% in 2016, attributed to robust exports such as textile products. With a population of around 160 million people, Bangladesh is a production base with an abundant, low cost and high-quality labor force and owing to, for

example, its considerable infrastructure demand, Bangladesh is attracting attention as a potential market. The number of Japanese-affiliated companies doing business in the country has increased from 61 (2005) to 243 (August 2016). The stable supply of electric power and natural gas, as well as infrastructure development, have also become challenges for foreign companies.

In the relationship with Japan, Prime Minister Hasina visited Japan in May to participate in the outreach meeting for the G7 Ise-Shima Summit and the inauguration ceremony for the new Chancery Building of the Embassy of Bangladesh in Japan. In response to the terrorist attack in Dhaka, Prime Minister Abe and Prime Minister Hasina held a summit meeting on the occasion of the Asia-Europe Meeting (ASEM) Summit (in Mongolia), where the two leaders confirmed cooperation for investigation of the facts of the incident, prevention of recurrence, and thorough measures to ensure the safety of Japanese nationals, and Prime Minister Abe expressed Japan's intention to continue its Official Development Assistance (ODA).

### (4) Sri Lanka

Sri Lanka is situated at a strategic point on the sea lanes in the Indian Ocean. The country is traditionally pro-Japanese and its geopolitical and economic importance is attracting attention. After the end of the civil war in 2009<sup>23</sup>, the security situation has greatly improved. Japanese tourists roughly quadrupled as compared with 2008 to about 40,000 (as of 2015).

<sup>23</sup> In Sri Lanka, over more than 25 years from 1983 to 2009, the Liberation Tigers of Tamil Eelam (LTTE), an anti-government force of Tamils, ethnic minority living mainly in the north and east of Sri Lanka, fought a civil war against the government, aiming for the separation and independence of their region.

In domestic affairs, President Sirisena, who took office as a result of the presidential election in January 2015, maintained the grand coalition of the United National Party (UNP) and the Sri Lanka Freedom Party (SLFP) after the general election in August the same year, and is running the government together with Prime Minister Wickremesinghe (UNP).

The new administration set up a National Reconciliation Bureau for national reconciliation, an important task after the end of the civil war, and has been working in a variety of ways including the suggestion of the establishment of a mechanism consisting of a 4-layer system to correspond to the investigation of the truth related to alleged human rights violations, rights for justice, rights for compensation, and prevention of recurrence of conflict.

After the end of the civil war, the economy of Sri Lanka grew at annual rate of 7%, and it continues to maintain an annual growth of 4.8% or above in recent years. Its GDP per-capita was recorded at 3,724 US dollars in 2015. Given the geopolitical importance of the country and its access to the Indian market, an even higher growth is expected.

In the relationship with Japan, following the visit of Prime Minister Wickremesinghe to Japan in October 2015, President Sirisena visited Japan in May 2016 to participate in the outreach meeting for the G7 Ise-Shima Summit and a summit meeting was held with Prime Minister Abe. After the summit meeting, they jointly announced a joint media statement.

### (5) Nepal

Nepal has geopolitical importance as an inland state between the great powers of China and India. For many years, Japan



Official logo for the 60th anniversary of the establishment of Japan-Nepal diplomatic relations in 2016

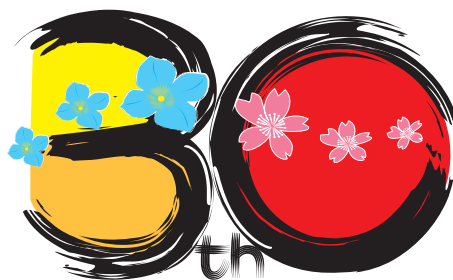
has been a major donor to Nepal and the two countries keep traditionally friendly relations through a variety of exchanges including relations between the imperial family and the former royal family, and mountaineering.

In 2016, Japan and Nepal commemorated the 60th anniversary of the establishment of Japan-Nepal diplomatic relations. Japan and Nepal have maintained friendly relations over a long period of time and they have deepened their bonds as Asian countries that have both experienced a major earthquake, namely the Great East Japan Earthquake (March 2011) and the major Nepal earthquake (April 2015). Throughout 2016, exchange programs in a variety of areas, including arts, culture, sports, tourism, etc., were carried out between the two countries. In September, State Minister for Foreign Affairs Kishi attended the ceremony for the 60th anniversary of the establishment of diplomatic relations between Japan and Nepal as the representative of Japan. The ceremony was held with great success with the presence of related ministers from the Nepali side led by Prime Minister Dahal (Prachanda), government officials from the two countries, diplomatic missions in

Nepal, staff of international organizations, etc. Japan and Nepal stated that they would further strengthen the friendly and cooperative relations between the two countries.

In domestic affairs, following the big earthquake in April 2015, the enactment of a new constitution became a critical issue in the context of recovery and reconstruction from the earthquake, and the new constitution was promulgated in September the same year. In October the following year, the new Oli administration took office but subsequently due to confrontations between the ruling and opposition parties, Prime Minister Oli announced his resignation in July 2016. In August, Chairman of the Communist Party of Nepal-Maoist Centre (CPN-MC) Dahal (Prachanda) was elected as the prime minister and a new administration started. Important issues for the new Dahal administration include the steady implementation of the new constitution, the acceleration of reconstruction and infrastructure development.

In regards to the relationship with Japan after March 2015, the Second Japan-Nepal Political Dialogue between the Ministries of Foreign Affairs was held in Nepal in June 2016 to conduct exchanges of views regarding issues such as the initiatives for the 60th anniversary of the establishment of diplomatic relations, the assistance from Japan for the reconstruction of Nepal after the earthquake, and the regional situation. Bilateral cooperation including political affairs has been further expanding throughout the anniversary year and towards the next 60 years.



Official logo for the 30th anniversary of the establishment of Japan-Bhutan diplomatic relations in 2016

## (6) Bhutan

Bhutan peacefully shifted from a monarchy to a constitutional monarchy in 2008. Currently, efforts are being made to establish a democracy under the Tobgay administration. The government sets Gross National Happiness (GNH) as a guideline of the administration and is particularly working on economic independence, food production, and the reduction of youth unemployment rate under the 11th Five-Year Plan (until 2018).

With regard to the relationship with Japan, since His Majesty and Her Majesty of Bhutan visited Japan as state guests in 2011, exchanges between Japan and Bhutan have become active in a variety of fields and at various levels. In January 2016, Economic Minister Wangchuk visited Japan and had a meeting with State Minister for Foreign Affairs Kihara to exchange views to further encourage economic relations between the two countries, including increasing the number of Japanese tourists to Bhutan and investment from Japanese companies in Bhutan. Furthermore, 2016 was the 30th anniversary of the establishment of Japan-Bhutan diplomatic relations. In May in Japan, the inauguration ceremony of the Bhutan Exhibition in Ueno Royal Museum was held with the presence of Her Majesty

the Queen Mother Tshering Yangdon Wangchuck and Her Royal Highness Princess Dechen Yangzom Wangchuck. Furthermore, Special Advisor to the Prime Minister Katsuyuki Kawai attended the inauguration of “Japan Week in Bhutan” held in Bhutan in September.

In the area of economic cooperation, the two countries exchanged letters in October for grant aid of a maximum of 251 million yen for providing cultivators to encourage agricultural mechanization and grant aid of a maximum of 2.156 billion yen to reconstruct bridges on National Highway 4, a major road network in Bhutan, in December, etc.

## (7) The Maldives

The Maldives is an island country in the Indian Ocean and its economic growth is mainly led by fishing and tourism, which accounts for about 30% of GDP. The country graduated from a least developed country in 2011, and its per-capita GDP reached approximately 8,395.8 US dollars (as of 2015).

With regard to domestic affairs, movements against President Yameen have been observed. For example, the former president Nasheed was given asylum while he was staying in the United Kingdom in May and the Maldives United Opposition (MUO) was launched in London (UK) in June. Furthermore, regarding foreign policy, the country declared withdrawal from the British Commonwealth of Nations in October.

Regarding the relationship with Japan, momentum to further deepen bilateral ties is growing with the opening of the Embassy of Japan in the Maldives in January 2016 and toward the 50th anniversary of the

establishment of diplomatic relations in 2017. In the area of economic cooperation, cooperation for the development of a terrestrial digital broadcasting network based on the Japanese standard is under way. The number of mutual visits is also increasing. In February 2016, Parliamentary Vice-Minister for Foreign Affairs Masakazu Hamachi visited the country to attend the opening ceremony of the Embassy of Japan in the Maldives, followed by a visit to Japan made by the Speaker of the People’s Majlis Maseeh to participate in the Global Conference of Parliamentarians on Population and Development in April. In October, Minister of Youth and Sports Adam visited Japan to participate in the World Forum on Sport and Culture.

## 5 Oceania

### (1) Australia

#### A Brief summary and overview

In Australia, Prime Minister Turnbull, who was appointed in September 2015, dissolved both houses of the federal parliament in May 2016 and federal parliamentary general elections were held in July. As a result of the elections, the Coalition (Liberal Party-National Party) led by Prime Minister Turnbull won by a narrow margin and he was reappointed as the prime minister.

Under the “Special Strategic Partnership” sharing fundamental values and strategic interests, Japan and Australia support a rule-based free and open international order and contribute together to the stability and prosperity of the international community. Based on mutual visits by the prime ministers and close collaboration between the foreign ministers, cooperative



Japan-Australia Summit Meeting (September 7, Vientiane, Laos; Photo: Cabinet Public Relations Office)

relations on the political and security fronts are steadily deepening. On the economic front, Australia is the sixth largest trading partner for Japan and Japan is the second largest trading partner for Australia. The two countries are further developing their mutually complementary economic relations based on the Japan-Australia EPA, and are cooperating closely regarding the promotion of free trade, in particular, the TPP agreement, the RCEP, etc. Furthermore, trilateral coordination and partnership such as Japan-U.S.-Australia and Japan-Australia-India are being steadily strengthened.

A Japan-Australia Summit Meeting was held on the occasion of the ASEAN-related Summit Meetings in September in Laos. During the meeting, the two leaders shared the view that they would further promote bilateral relations and closely cooperate on regional and international issues. Furthermore, in January 2017, Prime Minister Abe visited Australia and confirmed the deepening of the “Special Strategic Partnership” in a wide range of areas including security and defense cooperation, economic issues and people-to-people exchanges, while also seeking to strengthen the personal relationship between the two leaders. This visit was

widely and favorably reported by the media in the two countries. Foreign Minister Kishida and Foreign Minister Bishop held meetings on the occasions such as Foreign Minister Bishop’s visit to Japan in February and the UN General Assembly in September. Through these meetings, the two countries shared their views on the increasingly severe regional situations and confirmed that they would continue to coordinate for the peace and stability of the region.

### **B Cooperation in the security field**

Japan and Australia are steadily strengthening and expanding cooperation from the point of view that the close bilateral coordination in the areas of security and defense will contribute to the peace and stability of the Asia-Pacific region. The Foreign and Defense Joint Ministerial Consultations (“2+2”) have been regularized, and the Japan-Australia Acquisition and Cross-Servicing Agreement (Japan-Australia ACSA), the Agreement on the Security of Information, and the Agreement concerning the Transfer of Defense Equipment and Technology were concluded between the two countries. The two countries worked to revise the ACSA in order to further promote close cooperation between the Self-Defense Forces and the Australian Defence Force, taking into account Japan’s Legislation for Peace and Security, and the new Japan-Australia ACSA was signed in January 2017. Furthermore, the two countries are currently negotiating to make an agreement to facilitate joint operations and exercises. Moreover, the two countries are strengthening the coordination in areas such as cyber, space, counter-terrorism and

violent extremism, and are broadening the scope of cooperation.

In light of the increasingly severe security environment in the Asia-Pacific region, Japan and Australia, which are both allies of the U.S., are working on further enhancement of Japan-U.S.-Australia cooperation. In July 2016, the Japan-U.S.-Australia Trilateral Strategic Dialogue (TSD) was held for the first time in approximately three years, and the three countries shared the view that they would closely collaborate and cooperate regarding issues including the South China Sea, the East China Sea, North Korea, and counter-terrorism. Furthermore, the cooperation is making steady progress such as joint exercises by the Japan Self-Defense Forces, U.S. Forces, and Australian Defence Forces, and the signing of the Trilateral Information Sharing Arrangement among the defense authorities in October.

At the Japan-Australia Summit Meeting held in January 2017, the two countries reaffirmed that the efforts relating to the security and defense cooperation will strengthen the long-standing bilateral strategic ties.

### **C** Economic relations

The mutually complementary economic relationship between Japan and Australia has been developing steadily over the years. Japan mainly exports industrial products such as automobiles to Australia and mainly imports energy resources such as coal and natural gas, as well as agricultural products such as beef from Australia. Furthermore, in recent years, investment from Japan to Australia has been diversifying and expanding, making Japan the second largest investor to Australia. Moreover, efforts are being made to further

develop economic relations between Japan and Australia, under the Conference for Promotion of Exchanges between Japan and Australia, with innovation-led reform of industrial structures and region-led promotion of relations serving as the two pillars. The two countries are also closely coordinating on the promotion of regional free trade systems, including the TPP agreement and the RCEP.

At the Japan-Australia Summit Meeting in January 2017, the two leaders confirmed the success of the Japan-Australia EPA, celebrating the second anniversary of its entry into force, and the implementation of the TPP agreement that will bring about important economic and strategic benefit, will remain indispensable. They also reaffirmed that the RCEP would provide opportunities towards closer economic integration of the region.

### **D** Cultural and people-to-people exchanges

There exists a foundation for an affinity toward Japan in Australia cultivated over many years, as shown by the fact that approximately 360,000 people in Australia learn the Japanese language (the highest number of learners per population in the world), and that there are over 100 sister city relations. In order to strengthen the foundation of Japan-Australia relations, various efforts have been made such as the promotion of understanding Japan through the short-term invitation programs, namely, JENESYS 2015, JENESYS 2016, and the “New Colombo Plan,” as well as promotion of reconciliation through the invitation program of former Australian prisoners of war (POWs), and the Young Political Leaders Exchange.

## **E** Cooperation in the international Community

The two countries have been strengthening cooperation at various levels to play an active role in the peace and stability of the international community. The two countries have been building cooperative relations over many years regarding the UN peacekeeping operations and peacebuilding, and both countries have been operating in close coordination in the United Nations Mission in the Republic of South Sudan (UNMISS). In February, the foreign ministers of Japan and Australia announced the Japan-Australia Strategy for Cooperation in the Pacific in order to contribute to the peace and prosperity of the Pacific region. In October, the first Pacific Policy Dialogue was held to exchange views regarding the cooperation between Japan and Australia. Furthermore, the two countries are working together in the international arena, sharing the recognition on the importance of issues such as maritime security, the nuclear and missile development, the abduction issue by North Korea, disarmament and non-proliferation, climate change, and UN Security Council reform.

### **(2) New Zealand**

#### **A** Brief summary and overview

In New Zealand, Prime Minister Key resigned in December and Deputy Prime Minister and Minister of Finance English assumed the office of the prime minister. Japan and New Zealand share fundamental values, such as democracy and market economy. The two countries have been maintaining good relations over the years. In recent years, under the “strategic cooperative partnership,” the

two countries have been strengthening cooperative relations on issues facing the region and the international community and strengthening bilateral cooperation in areas including economy, security and defense cooperation, and people-to-people exchanges.

#### **B** Mutual VIP visits

From Japan, Parliamentary Vice-Minister for Foreign Affairs Hitoshi Kikawada visited New Zealand in February to attend the commemorative ceremony to mark the 5th anniversary of the Christchurch earthquake. Parliamentary Vice-Minister for Foreign Affairs Hamachi and Minister of State for Special Missions Nobuteru Ishihara visited New Zealand and held meetings with its top government officials in July and August, respectively.

From New Zealand, Minister of Commerce and Consumer Affairs Goldsmith visited Japan in May to attend the International Conference on the Future of Asia in Tokyo. Furthermore, Minister for Maori Development Flavell visited Japan in June, and held a meeting with Deputy Chief Cabinet Secretary Kazuhiro Sugita, and exchanged views with companies related to the agriculture and forestry sectors. In addition, Minister for Economic Development Joyce visited Japan in August and exchanged views with people in the business sector.

#### **C** Economic relations

The two countries enjoy a complementary economic relationship, and the prime ministers of Japan and New Zealand confirmed the importance of promoting free trade during their talks on the occasion of the APEC Economic Leaders' Meeting in



Peru in November. The two countries are further strengthening bilateral cooperation toward the entry into force of the Trans-Pacific Partnership (TPP) agreement, which both countries participate, and the early conclusion of a high-quality RCEP.

Furthermore, in the fields of food and agriculture, the two-year extension of the “New Zealand Hokkaido Dairy Collaboration Project” was decided in June after the completion of a two-year long pilot project which began in 2014. This project is designed to identify methods of improving the profitability of dairy farming in Japan.

#### **D People-to-people exchange**

In 2016, 31 university students from New Zealand visited Japan as part of a youth exchange project “JENESYS (Japan-East Asia Network of Exchange for Students and Youths) 2016.” More than 1,100 high school and university students from New Zealand have visited Japan through youth related programs that have continued since 2007.

In addition, networking between sister cities is making progress with an aim to promote mutual understanding among the youth. Furthermore, the New Zealand Government sponsored “Game On English” which extends support to English language education for Japanese students through rugby, in which New Zealand won the World Cup twice in a row. Under this program, 22 Japanese students visited New Zealand in 2015.

#### **E Cooperation at times of disaster**

When a magnitude 7.8 earthquake centered in the northern Canterbury region, South Island, struck New Zealand

on November 13 (Japan time), Japan dispatched a P-1 patrol aircraft from the Japan Maritime Self-Defense Force as a part of the Japan Disaster Relief (JDR) Team and the Self-Defense Force Team, and surveyed the state of damage from the air upon a request from the government of New Zealand.

#### **F Cooperation in the international community**

The two countries cooperated closely for the peace and stability of the international community as the non-permanent members of the UN Security Council. Furthermore, Japan and New Zealand have been playing active roles in the stability and prosperity of the region, including the collaboration in the regional cooperation frameworks such as the East Asia Summit (EAS), the ASEAN Regional Forum (ARF) and the Pacific Islands Leaders Meeting (PALM), and the cooperation in the field of economic development in the Pacific island countries.

#### **(3) Pacific Island Countries (PICs)**

##### **A Brief summary and overview**

The Pacific Island Countries (PICs) are important partners for Japan in terms of the cooperation in the international community and supply of natural resources, and are bound by the Pacific Ocean and have deep historic ties with Japan. Japan has been holding the Pacific Islands Leaders Meeting (PALM) once every three years since 1997. Since 2010, Japan has also been holding the PALM Ministerial Interim Meeting. Furthermore, Japan continues to participate in the Pacific Islands Forum (PIF) Post Forum Dialogue. In addition, from 2014 onwards, Japan has been holding Japan-Pacific Islands Leaders Meeting every year

on the occasion of the UN General Assembly held in September. Japan has been further strengthening relations with PICs through high-level visits during such international conferences, operational implementation of meetings, agile ODA projects, and active people-to-people exchanges. There were a series of elections held in the PICs in 2016, including national elections held in Kiribati in January, Vanuatu in February, Samoa in March, Nauru in July, and Palau in November. As a result, new leaders came into office in Kiribati and Vanuatu and the incumbent were re-elected in Samoa, Nauru, and Palau. Furthermore, in the Marshall Islands, presidential elections were held twice, including one due to a vote of no confidence in January, and a new president came into office twice.

### **B Pacific Islands Leaders Meeting**

In September during his visit to New York, U.S., Prime Minister Abe held the Third Japan-Pacific Islands Leaders Meeting on the occasion of the UN General Assembly where discussions were held on items such as the status of follow-up on various commitments and cooperation announced at the Seventh Pacific Islands Leaders Meeting (PALM 7), North Korea, the rule of law at sea, and UN reform, and in particular, Security Council reform.

Furthermore, in January 2017 the PALM Third Ministerial Interim Meeting was held in Tokyo. At this meeting, Foreign Minister Kishida and Secretary of Foreign Affairs of the Federated States of Micronesia Robert served as co-chairs, and exchanges of views were held with the focus on the follow-up of PALM 7, cooperation in the international arena, self-sufficient and sustainable development, various maritime issues,

and the vision toward PALM 8. The PICs expressed their deep appreciation for the steady implementation of the commitments announced at PALM 7 by Japan, and each country agreed to cooperate closely toward the success of PALM 8 in 2018.

### **C Mutual VIP visits**

In January, Member of the House of Representatives Kazunori Tanaka visited the Republic of the Marshall Islands as a Special Envoy of the Prime Minister, and attended the inauguration ceremony of President Nemra and held meetings with the president and others. In May, Prime Minister of the Independent State of Papua New Guinea O'Neill attended the outreach meeting of the G7 Ise-Shima Summit as the representative of the Pacific Islands Forum (PIF), and held a meeting with Prime Minister Abe and confirmed cooperation in economic areas, in particular, LNG. In July, Parliamentary Vice-Minister for Foreign Affairs Masakazu Hamachi visited Samoa as the head of a joint public-private economic mission in order to attend the Japan-Samoa Trade and Investment Seminar, which was held as a specific effort based on the fact that the importance of encouraging trade and investment between Japan and the PICs had been confirmed at PALM 7. In January 2017, Parliamentary Vice-Minister for Foreign Affairs Odawara attended the inauguration ceremony of the president of the Republic of Palau as a Special Envoy of the Prime Minister and held a meeting with President Remengesau and others.

### **D Relationship with Pacific Islands Forum (PIF)**

In September, a Pacific Islands Forum (PIF) Post Forum Dialogue was held in

Pohnpei, Federated States of Micronesia, and Parliamentary Vice-Minister for Foreign Affairs Odawara attended as a Special Envoy of the Prime Minister, and made reference to the importance of cooperation with the PIF and announced that Japan would advance cooperation with the PICs in a variety of areas, including climate change and human resources development.

### **E** People-to-people exchanges

A total of 224 people, including university students, visited Japan under the people-to-people exchange projects - JENESYS 2015 and JENESYS 2016 - deepening their understanding of the politics, history, culture, and society of Japan. Furthermore, from FY2016 Japan commenced the Pacific-Leaders' Educational Assistance for Development of State (Pacific-LEADS) for young government administrators in the PICs, and in FY2016 the program accepted 41 trainees.

### **F** Establishment of the Embassy of Japan in Samoa

Since Samoa is one of the central countries in the Polynesia region and is an important country for Japan, such as supporting Japan's position in the international arena to date, Japan upgraded the status of the representative office in Samoa to the Embassy of Japan in January 2017.

## **6** Regional and Inter-Regional Cooperation

The Asia-Pacific region is one of the world's growth centers. The realization of a peaceful and prosperous region is one of the priority issues in Japan's diplomacy. From this perspective, Japan places a high

priority on working with its neighbors to create a peaceful and stable regional community underpinned by rules that comply with international law and a free, open and close-knit regional economy, making use of various regional cooperative frameworks, including Japan-ASEAN, Japan-Mekong cooperation, ASEAN+3, East Asia Summit (EAS), ASEAN Regional Forum (ARF), and Asia Pacific Economic Cooperation (APEC), while maintaining the Japan-U.S. Alliance as the linchpin of its foreign policy.

### **(1) The Association of Southeast Asian Nations (ASEAN)**

At the ASEAN-related Summit Meeting held in November 2015 (in Kuala Lumpur, Malaysia), it was declared that the ASEAN Community constituted of three communities of "political security," "economic," and "sociocultural," (Kuala Lumpur Declaration on Establishment of ASEAN Community) would be established by the end of 2015. In addition, the "ASEAN2025: Forging Ahead Together," which shows the direction of the ASEAN Community for ten years from 2016 to 2025, was adopted.

ASEAN also plays an important role as a center of regional cooperation in East Asia. In addition, multi-layered East Asian regional cooperation centered on ASEAN is functioning through such frameworks as ASEAN+3, EAS, ARF, and strengthened cooperative relationship in a wide range of areas including politics, security, and the economy. On the economic front, the ASEAN Free Trade Area (AFTA), as well as other economic partnership agreements (EPAs) and free trade agreements (FTAs) with various countries including

Japan, China, the ROK, and India, were concluded creating a network of Free Trade Agreements (FTAs) centered around ASEAN. With regard to the Regional Comprehensive Economic Partnership (RCEP), the negotiations started in 2013, and are being advanced with the aim of the conclusion of a high-quality agreement in such fields as trade in goods, trade in services, investment, intellectual property, and e-commerce.

Since ASEAN is situated in a geopolitically important location and constitutes important sea lanes, and its stability and prosperity relates to those of not only the East Asian region but also the international community, it is important for the entire international community that ASEAN is integrated in accordance with values such as the rule of law and democracy.

In the South China Sea, China has been further conducting unilateral actions that change the status quo and increase tensions such as large-scale and rapid land reclamation, the building of outposts for their use for military purposes, and attempts to create fait accompli. Many countries including Japan have expressed concern over such actions by China. Japan's position is that it welcomes dialogue between China and ASEAN regarding the South China Sea issue, but the dialogue should be based on international law and on the premise that demilitarization and self-restraint will be maintained on the ground.

Regarding the arbitral proceedings instituted by the government of the Philippines concerning the disputes between the Philippines and China about the South China Sea under the United Nations Convention on the Law of the Sea (UNCLOS), the Arbitral Tribunal rendered

the final award on July 12. Japan issued a statement by Foreign Minister Kishida on the same day, in which he stated that Japan has consistently advocated the importance of the rule of law and the use of peaceful means - not the use of force or coercion - in seeking settlement of maritime disputes, and that as the Tribunal's award is final and legally binding on the parties to the dispute under the provisions of UNCLOS, the parties to this case are required to comply with the award, and that Japan strongly expects that such compliance will eventually lead to the peaceful settlement of disputes in the South China Sea.

For Japan, the issues surrounding the South China Sea are important matters of concern, because most of its resources and energy depend upon sea transport and it places importance on freedom of navigation, and overflight and securing safe sea lanes. It is necessary for the international community to cooperate towards the maintenance and development of "Open and Stable Seas" (see 1-1 (2), 2-1-2 (1) and 3-1-3 (4)).

## (2) Japan-ASEAN Relations

ASEAN exerts its centrality in regional cooperation in the Asia-pacific region. Therefore, achieving a more stable and prosperous ASEAN as the motive force is essential to the stability and prosperity of the region as a whole. Based on this recognition, Japan has announced that it will actively support efforts by "ASEAN Community Vision 2025" to achieve even further integration after the establishment of the ASEAN Community, while steadily implementing the vision statement on ASEAN-Japan Friendship and Cooperation and the joint statement that were both

adopted at the 2013 ASEAN-Japan Commemorative Summit Meeting.

Regarding Japan-ASEAN relations, which were elevated to new heights by the Commemorative Summit Meeting in 2013, through such meetings as the Japan-ASEAN Foreign Ministers' Meeting in July 2016 (in Vientiane, Laos) and the 19th Japan-ASEAN Summit Meeting (in Vientiane) in September 2016, the cooperative relations were further strengthened in a wide range of areas including strengthening the integration of ASEAN, sustainable economic growth, improvement of people's livelihoods, and ensuring the peace and safety of the region and the international community.

On the security front, the ASEAN countries appreciated Japan's contribution to the region and international community under the policy of "Proactive Contribution to Peace" and mentioned Japan's cooperation for countering terrorism, violent extremism, and transnational crimes, and cooperation for maritime security. With respect to the current situation in the South China Sea which may undermine peace, safety, and stability in the region, they shared the importance of peaceful resolutions of disputes in accordance with international law including UNCLOS, self-restraint in the conduct of activities which increase tensions, and respect for legal and diplomatic processes. Furthermore, regarding North Korea, the ASEAN Member States expressed their concerns on missile development by North Korea and mentioned the importance of complying with the UNSC resolutions and their expectation for an early resumption of the Six-Party Talks. They also shared Japan's concerns including the abduction issue.

In the economic area, through Official Development Assistance (ODA) and Japan-ASEAN Integration Fund (JAIF), Japan will continue to support deepening of the ASEAN integration, including support for enhancing ASEAN Connectivity and narrowing gaps within the region. At the 19th Japan-ASEAN Summit Meeting held (in Vientiane) in September, concerning "strengthening connectivity," the key to integration and growth of ASEAN, Japan promoted the development of infrastructure both qualitatively and quantitatively under our "Expanded Partnership for Quality Infrastructure" initiative based on the principles agreed to at the G7 Ise-Shima Summit. Japan stated that it will support the realization of "vibrant and effective connectivity" whereby the infrastructure in the region is interconnected and is utilized through institutional improvements and development on the surrounding areas, under the "Japan-Mekong Connectivity Initiative" and the "Mekong Industrial Development Vision." In response to this, all ASEAN Member States expressed their gratitude for Japan's cooperation with ASEAN over the years. Many ASEAN Member States appreciated Japan's initiatives to contribute to enhancing connectivity, human resource development and people to people exchanges such as the "Expanded Partnership for Quality Infrastructure," the "Industrial Human Resource Development Cooperation Initiative," "Japan-ASEAN Women Empowerment Fund" and the JENESYS program. They also welcomed increase of trade and investment between Japan and ASEAN and expected cooperation in economic areas such as supporting SMEs.

In other areas, Japan has been promoting

the “Japan-ASEAN health initiative,” to support human resources development with the aim to promote health, prevent illness, and improve the standard of medical care, and Japan-ASEAN Disaster Management Cooperation such as through the ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA CENTRE). Furthermore, Japan promotes a variety of people-to-people exchange programs in ASEAN, via such initiatives as the Japan-ASEAN Center, the JENESYS program, “the WA Project Toward Interactive Asia through Fusion and Harmony,” and “Innovative Asia.”

The Mekong region (Cambodia, Laos, Myanmar, Thailand, and Viet Nam), situated in a strategic location for land and sea transport, has been achieving strong economic growth and becoming a partner of growth blessed with a prospective future. Peace, stability, and prosperity in the region are extremely important for Japan. Economic development in this region contributes to narrowing the development gap and promoting regional integration within ASEAN, making it important for the stability and prosperity of the entire region. In recent years, economic activities in the Mekong region have been revitalized and remarkable growth has been achieved, including the progress of infrastructure development, and an increase in the number of Japanese companies entering the region.

At the 7th Mekong-Japan Summit (Japan-Mekong Summit Meeting) held in Tokyo in July 2015, the “New Tokyo strategy 2015” was adopted and Japan announced the implementation of ODA assistance totaling 750 billion yen for the Mekong region in the next three years. At

the 9th Mekong-Japan Foreign Ministers’ Meeting in July 2016, the Japan-Mekong Connectivity Initiative was launched to realize “vibrant connectivity” in the region. This initiative has the objective of realizing stronger institutional connectivity in order to utilize physical connectivity more and further strengthening connectivity within the region. At the Eighth Mekong-Japan Summit Meeting in September, Japan and Mekong countries announced projects to be implemented under this initiative. Going forward, Japan will continue to contribute to the prosperity and development of the Mekong region as a trusted partner in the region.

### (3) East Asia Summit (EAS) (participating countries: ten ASEAN countries and Japan, China, ROK, Australia, New Zealand, India, U.S., and Russia)

Launched in 2005, the EAS is an important regional forum, with its objectives to facilitate a candid dialogue among leaders on issues of importance to the region and the international community and to take advantage of the leadership of the participating heads of governments to advance specific cooperative initiatives targeting issues of common concern in the region. Many democratic nations take part in the EAS, and it is expected that it will contribute to sharing fundamental values in the region, including democracy and the rule of law as well as to strengthening international rules concerning trade and investment.

At the 6th EAS Foreign Ministers’ Meeting held in July (in Vientiane), the foreign ministers reviewed EAS cooperation and discussed the future direction of the EAS and regional and international issues,

such as the South China Sea and North Korea. Foreign Minister Kishida attended the meeting and expressed Japan's view on the South China Sea and North Korea. Moreover, he explained Japan's initiatives and ideas in regard to countermeasures against terrorism and violent extremism, strengthening the EAS, maritime cooperation and the sustainable economic development in East Asia.

Regarding the South China Sea issue, Foreign Minister Kishida stressed that Japan has consistently supported the unified response by ASEAN on the issue. In this context, Minister Kishida noted that ASEAN showed its strong will and capability to unite in one voice on the South China Sea issue by agreeing on the ASEAN Foreign Ministers' Joint Communique, and expressed his respect for Lao PDR, the ASEAN Chair, as well as countries concerned for their efforts. He also indicated that the ASEAN Foreign Ministers' Joint Communique expressed their serious concern over recent developments in the South China Sea, and explicitly mentioned peaceful resolution of disputes in accordance with international law, the importance of non-militarization and self-restraints in the conduct of all activities, as well as full respect for legal and diplomatic processes. Minister Kishida demonstrated that such points would form a basis for overcoming the situation of concern at this point in time. In addition, He stated that Japan is seriously concerned over the current situation in the South China Sea. He also reiterated his view that the award by the Arbitral Tribunal, as to the disputes between the Philippines and China, is legally binding to the parties of the dispute, and expected that the parties' compliance with this award would

eventually lead to the peaceful settlement of disputes. In light of this, he emphasized that all countries and states concerned should abide by international order based on the rule of law, not by force or coercion, and Japan will continue to support ASEAN's unity and this stance would not change in the future.

Regarding North Korea, Foreign Minister Kishida stated that it was totally unacceptable that North Korea not only conducted its 4th nuclear test and a series of ballistic missile launches but also launched a ballistic missile presumed to be "Musudan," and has been pursuing the development of SLBMs since the EAS held in November 2015. In addition, Minister Kishida called on EAS participating countries to take united actions in urging North Korea to refrain from any further provocation, comply with the UN Security Council Resolutions (UNSCR) and the joint statement of the Six-Party Talks, and take concrete actions toward denuclearization and other goals. Furthermore, he stated that it was necessary to put pressure on North Korea through ensuring strict implementation of the UNSCRs and that the EAS should issue a strong message regarding North Korea's human rights and humanitarian issues including the abductions.

At the 11th EAS held in September, (in Vientiane) the leaders reviewed cooperation within EAS and discussed the future direction of the EAS, as well as regional and international situations. Prime Minister Abe stated that Japan will provide 45 billion yen and conduct human resources development for 2,000 personnel over the next three years to support the enhancement of counterterrorism capabilities, including

border measures, for the sake of countering terrorism and violent extremism in EAS participating countries. He also mentioned that in order to deal with violent extremism, which is the root cause of terrorism, Japan intends to contribute even more actively through a comprehensive approach, including encouragement of moderation through personnel exchanges, educational activities, and other initiatives, and support for social and economic development that underpins a moderate society. Furthermore, from the perspective of strengthening the EAS, he stressed that the functions of the EAS should be further strengthened as the premier forum in the region, and it was Japan's desire to steadily implement "the Kuala Lumpur Declaration on the Tenth Anniversary of the EAS" and to promote further vitalization of the discussions in the political and security areas.

Regarding the South China Sea issue, Prime Minister Abe expressed serious concerns over ongoing unilateral attempts to change the status quo in the East China Sea and the South China Sea. He also stated that it is the rule of law that is the universal principle that must be strictly adhered to by the international community, and all parties should exercise self-restraint over actions that may increase tensions in the region, and should seek peaceful resolution based on international law including the UN Convention on the Law of the Sea (UNCLOS). Moreover, he mentioned that Japan has always supported the ASEAN centrality and unity, and while Japan welcomes the dialogue between China and ASEAN, it should be based on international law and on the premise that non-militarization and self-restraint will be maintained on the ground. He

also mentioned that the Philippines-China arbitral award is legally binding on the parties under UNCLOS, and Japan expects that the parties' compliance with the award will eventually lead to the peaceful settlement of disputes in the South China Sea (see 1-1 (2), 2-1-2 and 3-1-3 (4)).

Regarding North Korea, Prime Minister Abe stated that North Korea has launched approximately 20 ballistic missiles, and the three ballistic missiles launched by North Korea on September 5, when the G20 Summit was being held, fell into Japan's exclusive economic zone, and such acts are unprecedented and unforgivable outrages. Furthermore, he stressed that the repeated provocations by North Korea are clear challenges to the international community and there is no other way but to augment pressure on North Korea through strict implementation of the UN Security Council (UNSC) resolutions. Moreover, he pointed out that the human rights and humanitarian issues of North Korea are serious, and in particular, the abduction issue is the most important issue that concerns Japan's sovereignty and the lives and safety of Japanese people and called for understanding and cooperation of the relevant countries for early resolution.

Furthermore, many leaders including Prime Minister Abe pointed out the importance of the EAS Statement on Non-proliferation, leading to its adoption. It was very meaningful that all 18 EAS participating countries, including China, Russia, and ASEAN member states, stood united to issue the statement right after the missile launch by North Korea amid the G20 Summit.



#### (4) ASEAN +3

The Asian financial crisis in 1997 was the catalyst for the launch of ASEAN+3 in the form of adding the three countries of Japan, China, and the ROK to ASEAN, and it has developed centered on the fields such as finance and food security. It currently covers cooperation in 24 fields, including finance, agriculture and food, education, culture, tourism, public health, energy, and the environment. ASEAN+3 member states are deepening cooperation in the various fields based on the “ASEAN+3 Cooperation Work Plan (2013-2017).”

In the financial area, the Agreement Establishing ASEAN+3 Macroeconomic Research Office (AMRO) entered into force in February, and in the same month, AMRO opened in Singapore. Furthermore, in food security, Japan provided rice to countries such as the Philippines and Cambodia through the framework of the “ASEAN Plus Three Emergency Rice Reserve” (APTERR) agreement.

At the 17th ASEAN+3 Foreign Ministers’ Meeting held in July (in Vientiane), Foreign Minister Kishida reviewed ASEAN+3 cooperation and explained the future direction of ASEAN+3, focusing on the initiatives of Japan. In addition, he explained Japan’s concerns regarding terrorism, transnational crime, and the abductions and nuclear and missile development by North Korea as well as the regional and international situation including Japan-China-ROK trilateral cooperation.

At the 19<sup>th</sup> ASEAN+3 Summit Meeting held in September (in Vientiane), Prime Minister Abe made statements about the importance of the integration of the ASEAN community and Japan’s support for the centrality and unity of ASEAN.



ASEAN+3 (Japan-China-ROK) Summit (September 7, Vientiane, Laos; Photo: Cabinet Public Relations Office)

With regards to ASEAN+3 cooperation, he mentioned the Expanded Partnership for Quality Infrastructure, AMRO, which opened in 2016, and an early conclusion of the RCEP negotiations. Furthermore, with regards to food security, explaining about the rice that Japan provided based on APTERR, he called on the expansion of public-private partnership cooperation to construct a food value chain and the relaxation and removal of import restrictions on Japanese food products. Regarding the cooperation pertaining to people-to-people connectivity, he touched on the Memorandum of Cooperation on ASEAN+3 Tourism signed in January and stated that Japan will actively support human resources development and people-to-people connectivity in ASEAN through tourism cooperation and student exchanges. Moreover, he explained Japan’s support and frameworks regarding terrorism and transboundary crimes and mentioned the importance of criticizing the clear violations of the UNSC resolutions by North Korea and of strict adherence to the Three Principles of the Rule of Law at Sea in maritime security. In response to this, many ASEAN leaders expressed their concerns about the nuclear and missile development of North Korea, and some of them mentioned cooperation in the field

of maritime security and appreciated the Japan-China-ROK cooperation.

### (5) Japan-China-ROK Trilateral Cooperation

Trilateral cooperation among Japan, China, and the ROK continues to be vital on the ground that it promotes exchange and mutual understanding among the three countries that enjoy geographical proximity and share deep historical ties. Furthermore, as economies that play a major role in the world economy and serve as the motive force driving the prosperity of the East Asian region, trilateral cooperation among Japan, China, and the ROK is one of the areas of cooperation which has huge latent potential in efforts to tackle various issues in the international community.

In August, the Japan-China-ROK Trilateral Foreign Ministers' Meeting was held (in Tokyo), and Foreign Minister Kishida attended the meeting. The three ministers discussed cooperation in a wide range of areas as disaster management, environment, youth exchange, counter-terrorism, the Middle East and Africa, and shared the view that they would further promote such trilateral cooperation. With regard to the regional and global situations, the three ministers exchanged their views frankly on regional issues such as the situation in Northeast Asia and the cooperation in East Asia and reaffirmed their staunch opposition to the repeated provocations by North Korea among others. Regarding the Trilateral Summit, since the schedule was not fixed in 2016, the three countries are continuing to coordinate with each other to hold the summit in Japan in 2017 under Japan's chairmanship.

### (6) Asia Pacific Economic Cooperation (APEC)

Consisting of 21 countries and regions (economies), including those in the Asia-Oceania region, APEC promotes regional economic integration and intra-regional cooperation among the member economies on a voluntary basis. The Asia-Pacific region is positioned as the world's growth center, so strengthening cooperation and relationships of trust in the economic realm in this region is absolutely crucial if Japan is to achieve further development.

At the APEC Economic Leaders' Meeting in Peru in 2016, the participating leaders had wide-ranging discussions on themes of the promotion of regional economic integration and quality growth, the enhancement of the regional food market, the modernization of micro, small and medium enterprises (MSMEs), and the development of human capital, etc., under the overall themes of "Quality Growth and Human Development." Prime Minister Abe expressed the need for leaders to use all policy measures - monetary, fiscal, and structural - individually and collectively to respond to the downside risks to the global economy, and also expressed Japan's intention to continue to promote free trade by progressing policies to bring about "Inclusive Growth" and introduced Japan's activities to realize its initiative of the "Japan's Plan for Dynamic Engagement of All Citizens" (see 3-3-1 (3)).

### (7) Asia-Europe Meeting (ASEM)

ASEM was established in 1996 as the only forum to intensify dialogue and cooperation between Asia and Europe, and it celebrated its 20th anniversary in 2016. ASEM currently consists of 51 member



ASEM Summit (Retreat Session) (July 16, Ulaanbaatar, Mongolia; Photo: Cabinet Public Relations Office)

countries and two institutions and has been working through summit meetings and various ministerial meetings in the fields of politics, economy, and culture and society defined as three pillars.

In July, the 11th Summit Meeting was held in Ulaanbaatar (Mongolia). The participants took the opportunity of the 20th anniversary of the establishment of ASEM to take stock of the partnership between Asia and Europe to date and hold discussions about the future of ASEM. Furthermore, discussions were also held about what needed to be done to promote the ASEM partnership toward strengthening connectivity between Asia and Europe as well as the regional and international situation.

From Japan, Prime Minister Abe attended and resolutely condemned the terrorist attack in Nice (France) that had occurred the day before the meeting and the terrorist attack in Dhaka (Bangladesh) which claimed the lives of Japanese nationals as well. Prime Minister Abe also emphasized that Asia and Europe should jointly issue a clear message on fighting against terrorism. In addition, with regard to the global economy facing uncertain circumstances, he referred to the response by Japan mobilizing all policy tools, consisting of monetary policy, fiscal

policy, and structural reform, on the basis of the agreement reached at the G7 Ise-Shima Summit in May. Moreover, he discussed Japan's position on North Korea and the South China Sea, as challenges relating to the regional peace and prosperity.

The Chair's Statement issued by this summit contained statements about maritime security and terrorism, and in particular, an independent statement on terrorism was released under the leadership of Japan. Furthermore, following on from the 10th Summit Meeting in 2014 and the 12th Foreign Ministers' Meeting in 2015, the North Korea abduction issue was clearly mentioned.

In addition, at the 7th ASEM Culture Ministers' Meeting held in Gwangju City (ROK) in June, under the theme of "Culture and Creative Economy," recognition of the importance of developing culture and creative industries in the economic growth of Asia and Europe was shared. Furthermore, in the same month, the 12th ASEM Finance Ministers' Meeting was held in Ulaanbaatar, and Deputy Prime Minister and Finance Minister Aso attended. The finance ministers of each country exchanged views about the macroeconomic trends and prospects in Asia and Europe, and discussed issues related to securing financial stability at the regional and global level.

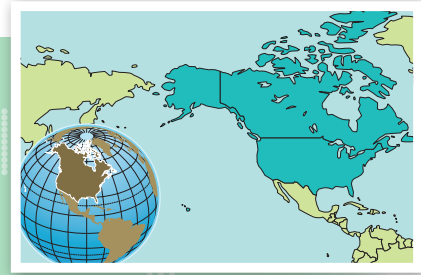
#### (8) South Asian Association for Regional Cooperation (SAARC)

SAARC was officially inaugurated in 1985 with multiple objectives such as enhancing the welfare of citizens of the South Asian countries, cooperation and collaboration in economic and social development and cultural areas. As of 2016, SAARC has eight member states and nine observer

countries and institutions, including Japan. SAARC is working primarily on areas such as the economy, society and culture, for example, through summit meetings and meetings of the Council at the ministerial level (foreign ministers' meetings). It is a comparatively moderate framework for regional cooperation but SAARC is gaining importance recently from the viewpoint of regional connectivity. Japan is making efforts to strengthen relations with SAARC through cooperation in a wide range of fields such as democratization and peace-building, infrastructure, energy, disaster risk reduction, and child welfare. As part of youth exchange between Japan and the SAARC, Japan has invited around 3,000 people to date (221 people in FY2016).

## Section 2

## North America



## Overview

## 〈United States〉

Japan and the U.S. are strong allies sharing fundamental values and strategic interests. The Japan-U.S. Alliance is the linchpin of Japan's diplomacy and security, and plays a major role in maintaining the stability and prosperity not only of the Asia-Pacific region but also of the whole world.

In May, President Obama became the first sitting U.S. president to visit Hiroshima. This visit was an extremely important historic event in terms of commemorating the war dead and revitalizing international momentum for realizing “a world free of nuclear weapons.” At the same time, the visit symbolized the strength of the U.S.-Japan Alliance, an “Alliance of Hope,” which has been built up over more than 70 years since the war. (See Special Feature “Visit by U.S. President Obama to Hiroshima”).

In December a visit to Hawaii by Prime Minister Abe was implemented. On this visit, Prime Minister Abe reaffirmed Japan's resolve towards the future that we must never repeat the horrors of war and strongly communicated to the world the power of the reconciliation of Japan and



Prime Minister Abe shaking hands with U.S. President Obama at the Japan-U.S. Summit (December 27, Hawaii, U.S.; Photo: Cabinet Public Relations Office)



Prime Minister Abe being welcomed by U.S. President Trump (February 10, 2017, Washington D.C., U.S.; Photo: Cabinet Public Relations Office)

the U.S., two countries that formerly fought as enemies but after the war transformed into allies with shared values (See Special Feature “Visit to Hawaii by Prime Minister Abe”).

In 2016, close communication was

maintained between Japanese and U.S. dignitaries: in addition to the visit to Hiroshima by President Obama and the visit to Hawaii by Prime Minister Abe, there was the Japan-U.S. Summit Meeting in the G7 Ise-Shima Summit, the Japan-U.S. Foreign Ministers' Meeting in the G7 Hiroshima Foreign Ministers' Meeting, etc. Through these opportunities, Japan and the U.S. strongly expressed the position that they would collaborate on the urgent issues facing the international community by further strengthening the Japan-U.S. Alliance, and cooperating closely in responding to global-scale issues such as climate change and counter-terrorism measures, particularly focusing on cooperation in the Asia-Pacific region.

In January 2017, President Donald Trump was inaugurated as the 45th president of the U.S. Immediately after that, in February, Prime Minister Abe visited the U.S. and held the first summit meeting with President Trump after his inauguration, and they issued a Joint Statement. Furthermore, they decided to establish an economic dialogue led by Deputy Prime Minister and Minister of Finance of Japan Aso, and, Vice President Pence of the United States of America. On this visit to the U.S. the two leaders transmitted to the world the clear message that they would build a solid relationship of personal trust and that the Japan-U.S. Alliance is unwavering. Together with the new U.S. administration led by President Trump, Japan will further solidify this unwavering Japan-U.S. Alliance and further strengthen the bond between Japan and the U.S.

### <Canada>

Japan and Canada are closely cooperating

together in a wide range of fields including politics, economy and security, as important partners in the Asia-Pacific region, sharing fundamental values as members of the G7.

Prime Minister Abe held summit meetings with Prime Minister Justin Trudeau in March and May, and they agreed to create "A New Era for Cooperation between Japan and Canada" and in addition, shared their perceptions regarding regional situations and cooperation in the international arena, etc.

On economic fronts, at the summit meeting in May, Prime Minister Abe emphasized the importance of the Trans-Pacific Partnership (TPP) and both Prime Ministers confirmed that the two countries intend to advance discussions in their respective countries, and furthermore, agreed to promote evolution of the Japan-Canada Joint Economic Committee (JEC).

Foreign Minister Kishida held a meeting with Minister of Foreign Affairs of Canada Stéphane Dion in April, and they agreed to further strengthen the Japan-Canada relationship, including cooperation in security. In addition, in their fourth meeting in November they agreed to further advance "A New Era for Cooperation between Japan and Canada" and to advance discussions for the conclusion of the Japan-Canada Acquisition and Cross-Servicing Agreement (Japan-Canada ACSA).

## 1 United States

### (1) Situation of the U.S.

#### A Politics

The 2016 presidential election became a bruising battle in both the primary elections and the general election due to the diverse candidates, including candidates from

outside the mainstream of each party. The large field of candidates including 17 major candidates for the Republican Party and three for the Democratic Party had their first battle in the primary election on February 1.

In the primary elections held sequentially in each state until the middle of June, Republican Party candidate Trump, a businessman, quickly moved ahead of the other candidates and early in May he secured the nomination. On the other hand, on the Democratic Party side, candidate Bernie Sanders, a senator who described himself as a democratic socialist, continued to doggedly fight with candidate Hillary Clinton, who had been expected to win easily, and his number of delegates, who are allocated based on the results of the primaries in each state, kept up with candidate Clinton. However, the majority of the super delegates who are selected mainly from state party officials, regardless of the results of the primaries, supported candidate Clinton, and she secured the nomination in early June.

The national party conventions that formally nominate the candidates for president and vice-president of each party were held from July 18 to July 21 in Cleveland, Ohio by the Republican Party and from July 25 to July 28 in Philadelphia, Pennsylvania by the Democratic Party. Candidate Clinton and candidate Trump respectively nominated Virginia Senator Tim Kaine and Indiana Governor Mike Pence to be their running mates immediately before their respective party conventions, and the presidential and vice-presidential candidates both won the candidate nominations formally at their party conventions.

Subsequently, during the period until the

general vote by U.S. citizens on November 8, a bruising election battle took place, including debates by the candidates of both parties (thrice by the presidential candidates and once by the vice-presidential candidates,) and campaigning throughout the U.S. Candidate Clinton was thought to have advantages in terms of political experience, election funds, etc. and the major media outlets also said that candidate Clinton was in a stronger position right until the end of the campaign. However in the end, candidate Trump gathered support, including from independents, by drawing on the deep anger, dissatisfaction and anxiety of the citizens regarding the entrenched present situation and consistently claiming he would bring about a transformation to society and make America great again.

Regarding the states each candidate won, candidate Trump won in 30 states and a part of Maine, and candidate Clinton won in 19 states and a part of Maine as well as in Washington D.C. Candidate Trump won approximately 46% of the nationwide vote whereas candidate Clinton won approximately 48% but candidate Trump won the election by securing the presidential electors by the large margin of 306 to 232 because he was victorious in the swing states, including the so-called Rust Belt states.

In the Federal congressional elections held at the same time as the presidential election, the Democratic Party increased its number of seats in both the Senate and the House of Representatives but the Republican Party maintained its majorities, ending the situation in which party of the president and the majority parties in congress were different.

President Trump, who was inaugurated

on January 20, 2017, had made clear during the election period that he would change the policies of the Obama administration, and he is proceeding with appointing Cabinet members and government officials in line with that assertion. On February 28 he gave his first speech to a Joint Session of Congress, in which he emphasized his determination to strengthen the economy through the repeal of Obamacare, tax system reform, infrastructure investment, regulatory reform, etc., to expand the defense budget, and to reform border control systems and so on in order to make America great again. Now the focus is on whether the president can cooperate with the new Congress to realize the various policies he proposed during the election in a form that meets the expectations of the citizens.

## B Economy

### (A) Current economic situation

The U.S. economy continued to recover gradually throughout 2016. The real GDP (revised value) of the October-December quarter grew at an annualized rate of 1.9% from the previous quarter. The unemployment rate continued to improve to reach 4.8% in January 2017. The U.S. economy is expected to follow the recovery path; however, it is necessary to take note of the trends and effects of policies going forward.

### (B) Economic policy

In the Joint Session of Congress speech given at the end of February 2017, President Trump noted individual policies related to the economy including employment creation, tax system reform, medical insurance system reform, and infrastructure



Foreign Minister Kishida shaking hands with U.S. Secretary of State Kerry at the Japan-U.S. Foreign Ministers' Meeting (April 11, Hiroshima Prefecture)



Foreign Minister Kishida visiting the Peace Memorial Park accompanied by U.S. Secretary of State Kerry (April 11, Hiroshima Prefecture; Photo: Sankei Shimbun)

investment. He touched on regulatory reform, in particular the reduction of income and corporate tax rates, repeal of the Patient Protection and Affordable Care Act (“Obamacare”) and construction of a better medical insurance system, increase in the budget for domestic infrastructure construction, etc. while, regarding employment creation in particular, he put forth Buy American (purchasing U.S. products) and Hire American (promoting



the employment of U.S. citizens) as major principles, and stated that since his inauguration multiple private companies had announced large-scale investment and employment expansion. On the other hand, regarding trade policy, he emphasized his withdrawal from the TPP was a good outcome, and asserted that free trade should be fair.

With regard to financial policy, the Federal Reserve Board (FRB) has been engaged in quantitative easing thrice since 2008; however, it decided to discontinue that at the Federal Open Market Committee (FOMC) meeting in October 2014, and discontinued it at the end of the same month. With the 2007 sub-prime loan issue as a turning point, the U.S. had maintained a zero-interest policy for seven years since 2008 with its target level of the federal fund rate at 0% - 0.25%, where the target range of the official rate had been lowered sequentially. However, at the FOMC meeting in December 2015, they decided to increase the target level for the first time in nine years since June 2006. Subsequently, at the FOMC meeting in December 2016, the target level was raised again, and as of February 2017 the target level of the federal fund rate was between 0.50% and 0.75%.

## (2) Japan-U.S. Political Relations

Japan and the U.S. have been strengthening the Japan-U.S. Alliance, which serves as the linchpin of its diplomacy and security, through strengthening the relationships of trust and closely coordinating policy at every level, including the prime minister and the foreign minister. In 2016, the two countries conducted three meetings and three teleconferences at the summit level,

and two meetings and nine teleconferences at the Foreign Minister's level.

In April, Foreign Minister Kishida took the opportunity of the G7 Foreign Ministers' Meeting in Hiroshima to hold a meeting with Secretary of State John Kerry. The meeting was on the day when the foreign ministers of the G7 countries visited the Peace Memorial Park, and Minister Kishida stated that he wished to send a clear message of peace from Hiroshima, the site of an atomic bombing, to the world. In response, Secretary Kerry stated that his visit on this occasion was an indication of the friendly relations and robust alliance between Japan and the U.S., and that it strongly calls to mind the need for both Japan and the U.S. to work together toward peace. Furthermore, Secretary Kerry commented on the increasing importance of the presence of the U.S. forces and the Japan-U.S. Alliance in light of the increasingly severe security environment, including the situations in North Korea, the East China Sea, and the South China Sea, and the two ministers agreed to work together to strengthen the Japan-U.S. Alliance. Secretary Kerry underscored the importance of measures to combat terrorism and violent extremism, and appraised Japan's contributions in this regard. Minister Kishida said he intends to maintain close Japan-U.S. cooperation.

In May, Prime Minister Abe took the opportunity to hold a meeting with President Obama on the occasion of the G7 Ise-Shima Summit. At the small group meeting, the entire time was spent discussing the incident that occurred in Okinawa, and the two leaders shared the view that Japan and the U.S. would hold thorough consultations in order to pursue effective measures to prevent recurrence, and Japan



Prime Minister Abe shaking hands with President Trump at the Japan-U.S. Summit Meeting (February 10, 2017, Washington D.C., U.S.; Photo: Cabinet Public Relations Office)

and the U.S. would work together to regain the lost confidence and would make every effort to mitigate the impact on Okinawa. At the expanded meeting, in light of the increasingly uncertain global economic situation at present, the two leaders shared the view that Japan and the U.S. will cooperate to realize strong, sustainable, and balanced growth. Regarding the regional situation, Prime Minister Abe stated that he hoped to further strengthen the network of allies that was founded on the Japan-U.S. Alliance and the two leaders confirmed the importance of the rule of law at sea, and agreed that Japan and the U.S. will solidly fulfill their roles within the international community. Furthermore, Prime Minister Abe stated that Japan could not tolerate “the possession of nuclear weapons” by North Korea becoming established as a *fait accompli*, and the two leaders once again shared recognition that coordination among Japan, the U.S., and the Republic of Korea was important. In addition, Prime Minister Abe conveyed his gratitude for the cooperation of the U.S. on the abductions issue, and requested the continued understanding and cooperation of the U.S.

In May, the same month, President Obama, accompanied by Prime Minister



Foreign Minister Kishida shaking hands with Secretary of State Tillerson at the Japan-U.S. Foreign Ministers' Meeting (February 10, 2017, Washington D.C., U.S.)

Abe, visited Hiroshima, as the first sitting U.S. President to visit the city. After visiting the Peace Memorial Museum, he laid a wreath at the Peace Memorial Park. Subsequently, the two leaders delivered statements, and powerful messages on realizing “a world free of nuclear weapons” were stated by the leader of the only country to have used nuclear weapons and the leader of the only country to have ever suffered atomic bombings in war. (See Special Feature “Visit by U.S. President Obama to Hiroshima”)

In November Foreign Minister Kishida took the opportunity of the APEC Ministerial Meeting in Peru to hold a meeting with Secretary of State John Kerry. The two foreign ministers shared the recognition that Japan and the U.S. are faced with many urgent issues, and confirmed that they would continue to further strengthen the Japan-U.S. Alliance for the peace and prosperity of the region and the international community. At the same time, Minister Kishida noted that the current unprecedented strength of the Japan-U.S. Alliance, demonstrated by the success of the G7 Foreign Ministers' Meeting and the visit to Hiroshima by President Obama, was thanks to the efforts of Secretary Kerry, and stated his

determination to continue to strengthen the Japan-U.S. Alliance building upon the past four years of cooperation with Secretary Kerry. In response, Secretary Kerry stated that he is proud of the way cooperation has grown over the past four years.

In December, Prime Minister Abe visited Hawaii and paid his respects to the war dead at the National Memorial Cemetery of the Pacific and other locations. Furthermore, Prime Minister Abe, accompanied by President Obama, visited the USS *Arizona* Memorial, laid a wreath and offered a silent prayer to pay his respects to the war dead. Moreover, the two leaders gave statements at Kilo Pier and demonstrated the power of the reconciliation of Japan and the U.S. to the world (See Special Feature “Visit to Hawaii by Prime Minister Abe”).

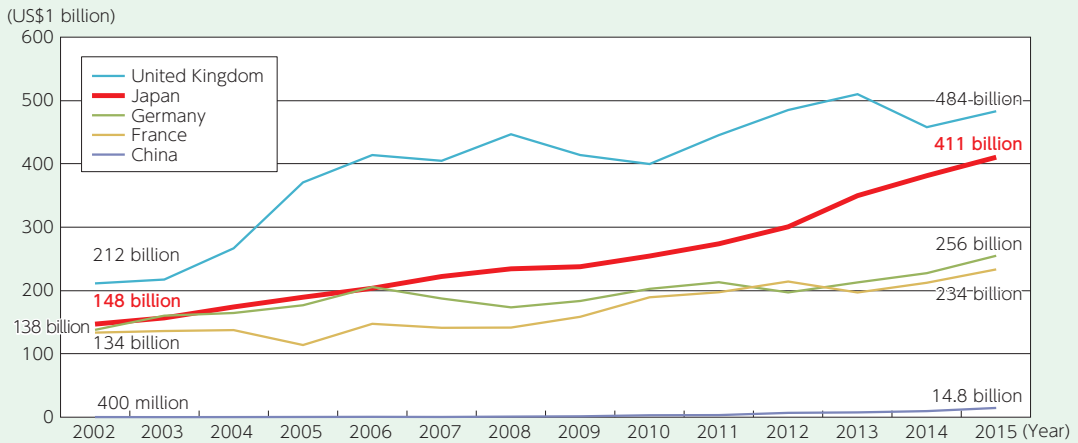
During the same visit to Hawaii, Prime Minister Abe held a Japan-U.S. Summit Meeting, the last one with President Obama. Prime Minister Abe stated that he took pride in what the two leaders have achieved together during the last four years to align Japan’s “Proactive Contribution to Peace” with the U.S. rebalance policy and to explore new frontiers of the Japan-U.S. cooperation. He also stated that such achievements became possible only because the two leaders shared their conviction to contribute to the peace and stability of the region and the world through strengthening the Japan-U.S. Alliance and created a positive cycle to unceasingly move the Japan-U.S. relationship forward. President Obama responded by saying that the cooperation in the G7 and extremely close cooperation over security issues in

various regions with Prime Minister Abe was made possible because of the supreme trusting partnership that was formed owing to the Prime Minister’s strong leadership. Furthermore President Obama stated that, in a world of increasing uncertainties, the continuation of robust collaboration between Japan and the U.S., which share fundamental values, will give assurance to the international community. Regarding the regional situation, the two leaders agreed on the importance of close cooperation among Japan, the U.S., and the Republic of Korea, and also shared the recognition on the importance of expanding the network of allies, including those among Japan, the U.S., and India as well as among Japan, the U.S., and Australia, in order to realize a free and open Indo-Pacific and to ensure the stability and prosperity of the region. In addition, the two leaders exchanged views regarding the TPP agreement and cooperation in Okinawa, etc.

In February 2017, Prime Minister Abe visited Washington D.C., where he visited the Arlington National Cemetery and attended the Breakfast Meeting co-hosted by the U.S. Chamber of Commerce and the U.S.-Japan Business Council. In addition, he held the first Japan-U.S. Summit Meeting after the inauguration of President Trump<sup>1</sup>. The two leaders affirmed that Japan and the United States will play a leading role in ensuring peace and prosperity of the Asia-Pacific region and the world, and shared the recognition that in the increasingly severe security environment in the region it is necessary to continually strengthen the Japan-U.S. Alliance, and building a network

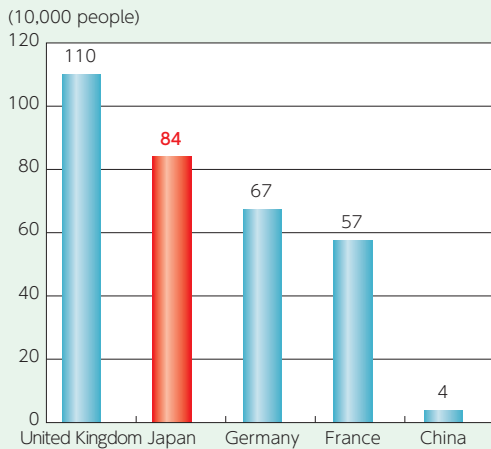
<sup>1</sup> On November 17, shortly after the presidential election, Prime Minister Abe stopped off in New York on his way to attend the APEC Economic Leaders’ Meeting in Peru, held an unofficial meeting with president-elect Trump, and congratulated him on his victory in the presidential election.

Japan ranks second in the world for cumulative FDI in the United States



(Note: Cumulative FDI in the United States by the top five countries ranked by GDP, excluding the United States)  
Source: U.S. Bureau of Economic Analysis, Department of Commerce

Japan ranks second in the world for the number of people employed by Japanese corporations in the United States



(Note: Employment statistics in the United States by corporations from the top five countries ranked by GDP, excluding the United States)  
Source: U.S. Bureau of Economic Analysis, Department of Commerce (2014)

with allies is important. Furthermore, they shared the recognition of the importance of Japan-U.S. economic relations, also agreed to further deepen dialogue and cooperation in order to dramatically enhance Japan-U.S. economic relations, and in order for Japan and the United States to lead the robust economic growth of the world,

and decided to establish an economic dialogue led by Deputy Prime Minister and Minister of Finance of Japan Aso, and Vice President Pence of the United States of America. Moreover, the two leaders issued a joint statement that affirmed their strong determination to further strengthen the Japan-U.S. Alliance and their economic relationship. In political and security areas, the joint statement (i) made specific reference to a commitment to extended deterrence, (ii) affirmed that Article 5 of the Japan-U.S. Security Treaty covers the Senkaku Islands and (iii) affirmed that the relocation of MCAS Futenma to Henoko is the only solution. Furthermore, regarding the economy, in addition to affirming their commitment that both Japan and the U.S. will strengthen their bilateral and regional economic relations based on the rules of free and fair trade, the two leaders agreed to proactively cooperate in specific areas that would be beneficial to both sides. In relation to this, they confirmed the establishment of the aforementioned economic dialogue. Subsequently, the two leaders travelled to Palm Beach, Florida on

Air Force One, spent time with each other's families, talked deeply with each other, and solidified their relationship of trust. Furthermore, the two leaders responded to the ballistic missile launch by North Korea which occurred while they were staying in Florida by holding an emergency joint press conference, and clearly demonstrating the strong bond between Japan and the U.S.

In February, the same month, Foreign Minister Kishida visited Washington D.C. with Prime Minister Abe and held the first Japan-U.S. Foreign Ministers' Meeting with Secretary of State Rex Tillerson. The two ministers affirmed the importance of the Japan-U.S. Alliance as the cornerstone of peace and stability in the Asia-Pacific region, and agreed to strengthen Japan-U.S. cooperation in addressing the issues in the region. Furthermore, the two ministers shared the view that the security environment in the Asia-Pacific region is becoming increasingly severe, and in particular agreed on the importance of Japan-U.S. and Japan-U.S.-ROK trilateral cooperation for responding to the issues regarding North Korea's nuclear and missile development. Furthermore, Minister Kishida explained Japan's position regarding the abductions issue and affirmed that Japan and the U.S. will continue to coordinate in responding to North Korea. Moreover, Secretary of State Tillerson reaffirmed that the Japan-U.S. Security Treaty covers the Senkaku Islands. In addition, the two sides exchanged views regarding the relocation of MCAS Futenma and Japan-U.S. economic relations.

### (3) Japan-U.S. Economic Relations

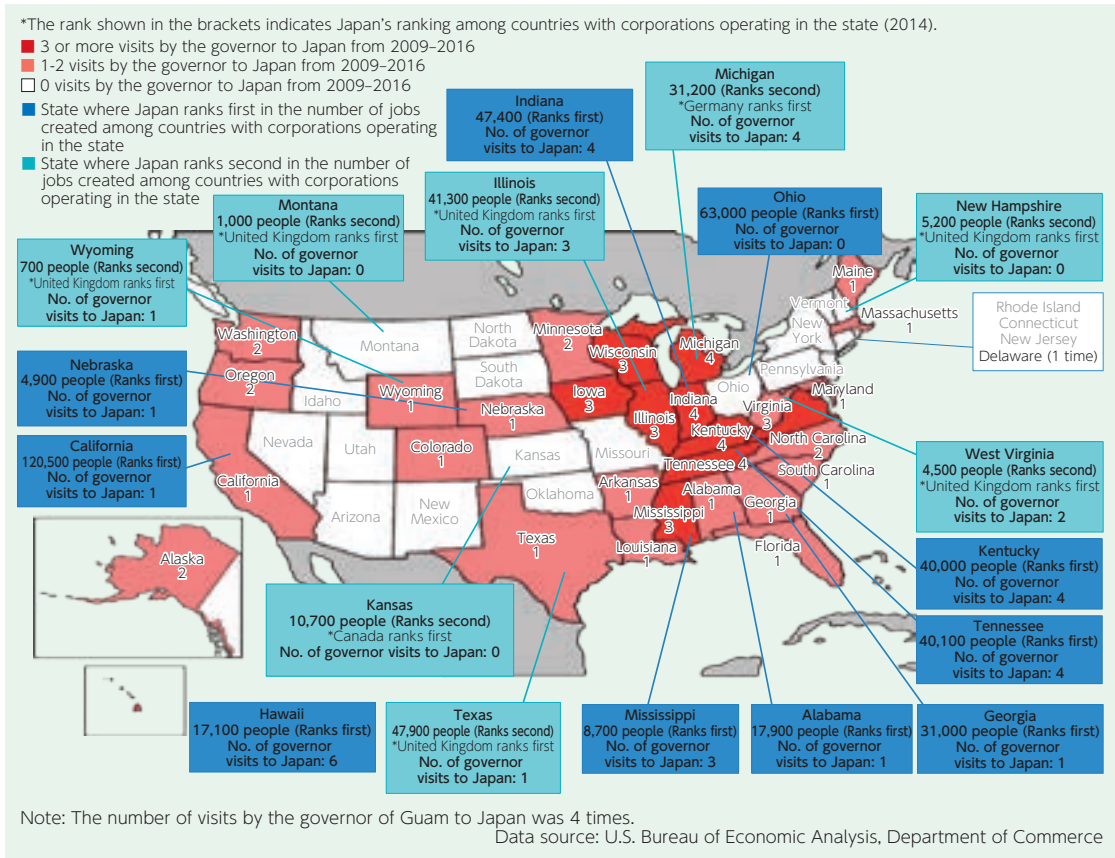
The close cooperation in the economic field between Japan and the U.S., who boast the third and the largest world economies

on a GDP basis, is essential not only for revitalizing the economies of both countries, but also for further strengthening the Japan-U.S. Alliance and for the development of the global economy. In recent years, Japan-U.S. economic relations have greatly deepened, as cooperation in various fields, including infrastructure, energy, technology and global issues has progressed and investment in both directions has grown.

Of particular note is the investment by Japanese companies in the U.S. Currently, Japan's cumulative direct investment in the U.S. occupies the position of second highest after the United Kingdom (approximately 411 billion U.S. dollars (2015)). This kind of direct investment is contributing to the regional economy of the U.S. in the form of employment creation by Japanese companies in the U.S. (approximately 840,000 people (2014)), and the strengthening of the multi-layered relationship of the two countries through this kind of vigorous investment and employment creation has become a rock-solid foundation for good Japan-U.S. relations that are better than ever before.

With respect to infrastructure development, the Japan-U.S. Railway Cooperation Meeting, which the two countries agreed to establish when Secretary of Transportation Anthony Foxx visited Japan in 2015, was held for the first time and collaboration between Japan and the U.S. in the railways field was deepened. Regarding the Superconducting Maglev technology that could be introduced to the Northeast Corridor, the U.S. government decided to offer a federal subsidy for the project and, in addition, Japan allocated survey expenses for the project in its FY2016 budget, so both Japan and the U.S. have worked together

Creation of employment by Japanese corporations in each state, and the number of visits by the governor of each state to Japan



to advance the project. Regarding the Texas Central Railway Project, a technical support contract was concluded with a local subsidiary of a Japanese company, and in addition when the mayors of Dallas and Fort Worth, Texas, visited Japan, they expressed their expectations for the project. Regarding the California High-Speed Rail Project, the public and private sectors will continue to make appeals for the project, while strengthening cooperation with the U.S., including holding the Japan-U.S. Joint Seminar on Infrastructure in the Philippines using the Quality Infrastructure Investment promoted by Japan.

In the energy area, progress was seen in the areas in which Japan has been making

efforts. The ban on crude oil exports was lifted by the FY 2016 omnibus spending bill at the end of 2015, which included the lifting of the ban on crude oil exports, and in May 2016, the import of U.S. produced crude oil was realized for the first time after the lifting of the ban on exports. Furthermore, regarding liquefied natural gas (LNG), the first LNG export base on the U.S. mainland commenced operations in February, and in January 2017 import to Japan was realized. It is expected that these outcomes will make a large contribution to energy security and the stable supply of energy to Japan.

In the technology area, cooperation between Japan and the U.S. is seen in such fields as the digital economy, life sciences,



Meeting between Deputy Prime Minister and Minister of Finance Aso and Vice President Pence of the United States of America (February 10, 2017, Washington D.C., U.S.)

robots, and space technology. The relations between the two countries have also been strengthened for assisting venture companies and creation of innovation. In particular in the digital economy area, Japan and the U.S. have formed a shared recognition regarding basic principles such as “free flow of information” and “multi-stakeholders approaches,” etc. in international fora such as the G7 and G20 and, in addition, Japan and the U.S. have cooperated to lead international discussions about these principles, including incorporating norms regarding cyber theft of trade secrets in the APEC Leaders’ Declaration, etc. In addition, Japan and the U.S. are advancing cooperation in global issues, including the environment and climate change, international health, etc. Furthermore, in the 53rd Japan-U.S. Business Conference (November), Minister for Foreign Affairs Fumio Kishida took the stage to boost initiatives to strengthen collaboration between Japan and the U.S. at the private sector level. For example, he appealed to the importance of the Japan-U.S. economic relationship and the contribution to the U.S. economy made by Japanese companies.

Moreover, cooperation is advancing in

the local regions. In Washington State and Maryland, memoranda of cooperation were created, and the Memorandum with California was renewed, strengthening relations at the state level. Furthermore, from the perspective that alleviating the burden of obtaining a local driver’s license is important in order for people to get their lives organized quickly when settling in the U.S., a Memorandum regarding reciprocal partial exemption of the driver’s license examination was created in Maryland in November 2015 and in Washington State in November 2016. As a result of that, the knowledge and skills examination in the driver’s license examination implemented by these states are now exempted for applicants possessing a Japanese driver’s license.

With regard to the areas of investment and tourism, in conjunction with the 2016 SelectUSA Investment Summit held in June and hosted by the U.S., Japan hosted a reception with the objective of appealing to the direct investment in the U.S. by Japanese companies and their contribution to the U.S. Furthermore, taking the opportunity of the UN General Assembly held in New York in September, Prime Minister Abe gave speeches in dialogue events with persons involved in the financial sector and in the Invest Japan Seminar held by the Japan External Trade Organization (JETRO). At these events, he explained about the value of a TPP agreement contributing to free and fair trade and the outcomes and prospects of improving the environment for investment in Japan under Abenomics and talked about the attractiveness of Japan as an investment destination. Furthermore, the Prime Minister expressed his intention to strengthen nationwide systems for receiving tourists by 2020 at the Visit

Japan Tourism Seminar held by the Japan National Tourism Organization (JNTO).

After the signing of the TPP agreement in February 2016, in Japan the bill approving the TPP agreement and the related bills were approved in the Diet. In January 2017 President Trump signed a Presidential Memorandum on the withdrawal from the TPP Agreement; however, Japan and the U.S. have agreed regarding the necessity to create a free and fair economic zone in the Asia-Pacific region led by Japan and the U.S. In the economic dialogue between Japan and the U.S. going forward, in-depth discussions will take place, including on the question of what kind of economic framework would be best for Japan and the U.S. economy.

In September, the Study Group on Japan-US Economy 2016 comprised of knowledgeable persons active in various fields was launched as a forum for discussions regarding the future of Japan-U.S. economic relations and strengthening all aspects of Japan-U.S. relations. The proposal submitted to Foreign Minister Kishida in November by the Study Group proposed the strengthening of cooperation in such areas like infrastructure. The

promotion of multilevel dialogue, the need for Japan and the U.S. to exercise leadership towards advancing free trade, and the promotion of a strategic public-private partnership in order to further deepen Japan-U.S. relations. (See Special Feature “Toward Building a New Japan-U.S. Economic Relationship: Submission of Proposals by the Study Group on Japan-US Economy 2016”) In January 2017, President Trump was inaugurated and the government will endeavor to build a new Japan-U.S. economic relationship based on these proposals. Furthermore, in the Japan-U.S. Summit Meeting held on February 10, Japan and the U.S. agreed to establish a framework for new economic dialogue led by Deputy Prime Minister and Finance Minister Aso and Vice President Pence. Going forward, through this new economic dialogue the two countries will discuss (i) economic policies, (ii) cooperation in the areas of infrastructure and energy, etc. and (iii) rules related to trade and investment. They will conduct constructive discussions led by the shared goal of Japan and the U.S.: expanding free and fair markets throughout the world under the leadership of Japan and the U.S.

### Special Feature

#### Visit to Hawaii by Prime Minister Abe

From December 26 to 27, 2016 Prime Minister Abe visited the Island of Oahu, the State of Hawaii, the United States of America.

On December 26 Prime Minister Abe, accompanied by Foreign Minister Kishida, Minister for Defense Inada and others, visited the National Memorial Cemetery of the Pacific, the Japanese Section of Makiki Cemetery, the Ehime Maru Memorial and the Memorial for Commander



Japan-U.S. Summit Meeting (December 27, Hawaii, U.S.; Photo: Cabinet Public Relations Office)



Fusata lida, and at each location he laid a wreath and offered a silent prayer. Furthermore, Prime Minister Abe visited the Central Identification Laboratory (CIL) of the United States Defense POW/MIA Accounting Agency (DPAA), the Department of Defense, and observed the remains stored within the CIL as well as the examination work for the accounting process. That night, Prime Minister Abe participated in a dinner banquet with approximately 1,000 people, including representatives of organizations for people of Japanese descent living in Hawaii, and government officials from the State of Hawaii. In his speech, he expressed his gratitude once again to the Japanese-Americans for their significant contributions to the Japan-U.S. relationship, and stated the importance of the further development of the special Japan-Hawaii and Japan-U.S. relations.

On December 27 Prime Minister Abe visited the Pearl Harbor Visitor Center, and after that he held a Japan-U.S. Summit Meeting with President Obama. The two leaders confirmed that the value and significance of the “Alliance of Hope” would not change going forward, and shared the recognition that it is important to further strengthen the Japan-U.S. Alliance in the future, so it was a valuable meeting that was suitable as a culmination of the past four years.

After that, Prime Minister Abe visited the USS Arizona Memorial in Pearl Harbor with President Obama, and both leaders laid wreaths, and offered silent prayers, facing the marble wall on which the names of perished USS Arizona crewmembers are engraved, and offered prayers at the Ceremonial Well above the sunken USS Arizona. Moreover, the two leaders gave statements at the pier. Prime Minister Abe extended his sincere condolences to the victims of the attack on Pearl Harbor and all other victims of the past wars. The Prime Minister pledged his unwavering vow never to repeat the horrors of war and demonstrated strongly the power of reconciliation. Following this, President Obama stated that the Japan-U.S. Alliance is “a reminder that even the deepest wounds of war can give way to friendship and lasting peace.” The President also said as follows: “The most bitter of adversaries can become the strongest of allies. The fruits of peace always outweigh the plunder of war. This is the enduring truth of this hallowed harbor.”

This visit to Hawaii by Prime Minister Abe renews Japan’s unwavering vow to the future never to repeat the horrors of war, and demonstrated to the world the power of the reconciliation of Japan and the U.S., two countries that formerly fought as enemies but after the war transformed into allies with shared values.



The visit by the leaders of Japan and the U.S. to the USS Arizona Memorial (December 27, Hawaii, U.S.; Photo: Cabinet Public Relations Office)



The statements by the leaders of Japan and the U.S. (December 27, Hawaii, U.S.; Photo: Cabinet Public Relations Office)

## The Power of Reconciliation: Address by Prime Minister Shinzo Abe

President Obama, Commander Harris, ladies and gentlemen, and all American citizens,

I stand here at Pearl Harbor as the prime minister of Japan.

If we listen closely we can make out the sound of restless waves, breaking and then retreating again. The calm inlet of brilliant blue is radiant with the gentle sparkle of the warm sun.

Behind me, a striking white form atop the azure, is the USS Arizona Memorial.

Together with President Obama, I paid a visit to that memorial, the resting place for many souls.

It was a place which brought utter silence to me.

Inscribed there are the names of the servicemen who lost their lives.

Sailors and marines hailing from California and New York, Michigan and Texas, and various other places, serving to uphold their noble duty of protecting the homeland they loved, lost their lives amidst searing flames that day, when aerial bombing tore the USS Arizona in two.

Even 75 years later, the USS Arizona, now at rest atop the seabed, is the final resting place for a tremendous number of sailors and marines.

Listening again as I focus my senses, alongside the song of the breeze and the rumble of the rolling waves, I can almost discern the voices of those crewmen.

Voices of lively conversations, upbeat and at ease, on that day, on a Sunday morning.

Voices of young servicemen talking to each other about their futures and dreams.

Voices calling out the names of loved ones in their very final moments.

Voices praying for the happiness of children still unborn.

Each and every one of those servicemen had a mother and a father anxious about his safety.

Many had wives and girlfriends they loved. And many must have had children they would have loved to watch grow up.

All of that was brought to an end. When I contemplate that solemn reality, I am rendered entirely speechless.

"Rest in peace, precious souls of the fallen." With that overwhelming sentiment, I cast flowers on behalf of Japanese people, upon the waters where those sailors and marines sleep.

\* \* \*

President Obama, the people of the United States of America, and the people around the world,

As the prime minister of Japan, I offer my sincere and everlasting condolences to the souls of those who lost their lives here, as well as to the spirits of all the brave men and women whose lives were taken by a war that commenced in this very place, and also to the souls of the countless innocent people who became victims of the war.

We must never repeat the horrors of war again.

This is the solemn vow we, the people of Japan, have taken. And since the war, we have created a free and democratic country that values the rule of law and has resolutely upheld our vow never again to wage war.

We, the people of Japan, will continue to uphold this unwavering principle, while harboring quiet pride in the path we have walked as a peace-loving nation over these 70 years since the war ended.

To the souls of the servicemen who lie in eternal rest aboard the USS Arizona, to the American people, and to all peoples around the world, I pledge that unwavering vow here as the prime minister of Japan.

\* \* \*

Yesterday, at the Marine Corps Base Hawaii in Kaneohe Bay, I visited the memorial marker for an Imperial Japanese Navy officer.

He was a fighter pilot by the name of Commander Fusata Iida who was hit during the attack on Pearl Harbor and gave up on returning to his aircraft carrier. He went back instead and died.

It was not Japanese who erected a marker at the site that Iida's fighter plane crashed. It was U.S. servicemen who had been on the receiving end of his attack.

Applauding the bravery of the dead pilot, they erected this stone marker.

On the marker, his rank at that time is inscribed, "Lieutenant, Imperial Japanese Navy," showing their respect toward a serviceman who gave his life for his country.

"The brave respect the brave."

So wrote Ambrose Bierce in a famous poem.

Showing respect even to an enemy they fought against; trying to understand even an enemy that they hated --- therein lies the spirit of tolerance embraced by the American people.

When the war ended and Japan was a nation in burnt-out ruins as far as the eye could see, suffering under abject poverty, it was the United States, and its good people, that unstintingly sent us food to eat and clothes to wear.

The Japanese people managed to survive and make their way toward the future thanks to the sweaters and milk sent by the American people.

And it was the United States that opened up the path for Japan to return to the international community once more after the war.

Under the leadership of the United States, Japan, as a member of the free world, was able to enjoy peace and prosperity.

The goodwill and assistance you extended to us Japanese, the enemy you had fought so fiercely, together with the tremendous spirit of tolerance were etched deeply into the hearts and minds of our grandfathers and mothers.

We also remember them. Our children and grandchildren will also continue to pass these memories down and never forget what you did for us.

The words pass through my mind; those words inscribed on the wall at the Lincoln Memorial in Washington D.C. where I visited with President Obama.

"With malice toward none, with charity for all... let us strive on... to do all which may achieve and cherish a... lasting peace among ourselves and with all nations."

These are the words of President Abraham Lincoln.

On behalf of the Japanese people, I hereby wish to express once again my heartfelt gratitude to the United States and to the world for the tolerance extended to Japan.

\* \* \*

It has now been 75 years since that "Pearl Harbor." Japan and the United States, which fought a fierce war that will go down in the annals of human history, have become allies with deep and strong ties rarely found anywhere in history.

We are allies that will tackle together, to an even greater degree than ever before, the many challenges covering the globe.

Ours is an “alliance of hope” that will lead us to the future.

What has bonded us together is the power of reconciliation, made possible through the spirit of tolerance.

What I want to appeal to the people of the world, here at Pearl Harbor, together with President Obama, is this power of reconciliation.

Even today, the horrors of war have not been eradicated from the surface of the world. There is no end to the spiral where hatred creates hatred.

The world needs the spirit of tolerance and the power of reconciliation now -- and especially now.

Japan and the United States, which have eradicated hatred and cultivated friendship and trust on the basis of common values, are now, and especially now, taking responsibility for appealing to the world about the importance of tolerance and the power of reconciliation.

That is precisely why the Japan-U.S. alliance is “an alliance of hope.”

\* \* \*

The inlet gazing at us is tranquil as far as the eye can see.

Pearl Harbor.

It is precisely this beautiful inlet, shimmering like pearls, that is a symbol of tolerance and reconciliation.

It is my wish that our Japanese children, and President Obama, your American children, and indeed their children and grandchildren, and people all around the world, will continue to remember Pearl Harbor as the symbol of reconciliation.

We will spare no efforts to continue our endeavors to make that wish a reality. Together with President Obama, I hereby make my steadfast pledge.

Thank you very much.

Provisional translation: Prime Minister of Japan and His Cabinet

## Remarks by President Obama and Prime Minister Abe of Japan at Pearl Harbor

PRESIDENT OBAMA: Prime Minister Abe, on behalf of the American people, thank you for your gracious words. Thank you for your presence here today -- an historic gesture that speaks to the power of reconciliation and the alliance between the American and Japanese peoples; a reminder that even the deepest wounds of war can give way to friendship and lasting peace.

Distinguished guests, members of our armed forces -- and most of all, survivors of Pearl Harbor and their loved ones -- aloha.

AUDIENCE: Aloha.

PRESIDENT OBAMA: To Americans -- especially to those of us who call Hawaii home -- this harbor is a sacred place. As we lay a wreath or toss flowers into waters that still weep, we think of the more than 2,400 American patriots -- fathers and husbands, wives and daughters -- manning Heaven's rails for all eternity. We salute the defenders of Oahu who pull themselves a little straighter every December 7th, and we reflect on the heroism that shone here 75 years ago.

As dawn broke that December day, paradise never seemed so sweet. The water was warm and impossibly blue. Sailors ate in the mess hall, or readied themselves for church, dressed in crisp white shorts and t-shirts. In the harbor, ships at anchor floated in neat rows: the California, the Maryland and the Oklahoma, the Tennessee, the West Virginia and the Nevada. On the deck of the Arizona, the Navy band was tuning up.

That morning, the ranks on men's shoulders defined them less than the courage in their hearts. Across the island, Americans defended themselves however they could -- firing training shells, working old bolt-action rifles. An African-American mess steward, who would typically be confined to cleaning duties, carried his commander to safety, and then fired an anti-aircraft gun until he ran out of ammo.

We honor Americans like Jim Downing -- a gunner's mate first class on the West Virginia. Before he raced to the harbor, his new bride pressed into his hand a verse of Scripture: "The eternal God is thy refuge, and underneath are the everlasting arms." As Jim fought to save his ship, he simultaneously gathered the names of the fallen so that he could give closure to their families. He said, "It was just something you do."

We remember Americans like Harry Pang -- a fireman from Honolulu who, in the face of withering fire, worked to douse burning planes until he gave his last full measure of devotion

-- one of the only civilian firefighters ever to receive the Purple Heart.

We salute Americans like Chief Petty Officer John Finn, who manned a .50-caliber machine gun for more than two hours and was wounded more than 20 times, earning him our nation's highest military decoration, the Medal of Honor.

And it is here that we reflect on how war tests our most enduring values -- how, even as Japanese Americans were deprived of their own liberty during the war, one of the most decorated military units in the history of the United States was the 442nd Infantry Regiment and its 100th Infantry Battalion -- the Japanese-American Nisei. In that 442nd served my friend and proud Hawaiian, Daniel Inouye -- a man who was a senator from Hawaii for most of my life and with whom I would find myself proud to serve in the Senate chamber; a man who was not only a recipient of the Medal of Honor and the Presidential Medal of Freedom, but was one of the most distinguished statesmen of his generation as well.

Here at Pearl Harbor, America's first battle of the Second World War roused a nation. Here, in so many ways, America came of age. A generation of Americans -- including my grandparents -- the Greatest Generation -- they did not seek war, but they refused to shrink from it. And they all did their part on fronts and in factories. And while, 75 years later, the proud ranks of Pearl Harbor survivors have thinned with time, the bravery we recall here is forever etched in our national heart. I would ask all our Pearl Harbor and World War II veterans who are able to, to please stand or raise your hands -- because a grateful nation thanks you. (Applause.)

The character of nations is tested in war, but it is defined in peace. After one of the most horrific chapters in human history -- one that took not tens of thousands, but tens of millions of lives -- with ferocious fighting across this ocean -- the United States and Japan chose friendship and peace. Over the decades, our alliance has made both of our nations more successful. It has helped underwrite an international order that has prevented another World War and that has lifted more than a billion people out of extreme poverty. And today, the alliance between the United States and Japan -- bound not only by shared interests, but also rooted in common values -- stands as the cornerstone of peace and stability in the Asia Pacific and a force for progress around the globe. Our alliance has never been stronger.

In good times and in bad, we are there for each other. Recall five years ago, when a wall of water bore down on Japan and reactors in Fukushima melted, America's men and women in uniform were there to help our Japanese friends. Across the globe, the United States and Japan work shoulder-to-shoulder to strengthen the security of the Asia Pacific and the world -- turning back piracy, combating disease, slowing the spread of nuclear weapons, keeping the peace in war-torn lands.

Earlier this year, near Pearl Harbor, Japan joined with two dozen nations in the world's largest maritime military exercise. That included our forces from U.S. Pacific Command, led by Admiral Harry Harris, the son of an American Naval officer and a Japanese mother. Harry was born in Yokosuka, but you wouldn't know it from his Tennessee twang. (Laughter.)

Thank you, Harry, for your outstanding leadership. (Applause.)

In this sense, our presence here today -- the connections not just between our governments, but between our people, the presence of Prime Minister Abe here today -- remind us of what is possible between nations and between peoples. Wars can end. The most bitter of adversaries can become the strongest of allies. The fruits of peace always outweigh the plunder of war. This is the enduring truth of this hallowed harbor.

It is here that we remember that even when hatred burns hottest, even when the tug of tribalism is at its most primal, we must resist the urge to turn inward. We must resist the urge to demonize those who are different. The sacrifice made here, the anguish of war, reminds us to seek the divine spark that is common to all humanity. It insists that we strive to be what our Japanese friends call *otagai no tame ni* -- "with and for each other."

That's the lesson of Captain William Callaghan of the Missouri. Even after an attack on his ship, he ordered that the Japanese pilot be laid to rest with military honors, wrapped in a Japanese flag sewn by American sailors. It's the lesson, in turn, of the Japanese pilot who, years later, returned to this harbor, befriended an old Marine bugler and asked him to play taps and lay two roses at this memorial every month -- one for America's fallen and one for Japan's.

It's a lesson our two peoples learn every day, in the most ordinary of ways -- whether it's Americans studying in Tokyo, young Japanese studying across America; scientists from our two nations together unraveling the mysteries of cancer, or combating climate change, exploring the stars. It's a baseball player like Ichiro lighting up a stadium in Miami, buoyed by the shared pride of two peoples, both American and Japanese, united in peace and friendship.

As nations, and as people, we cannot choose the history that we inherit. But we can choose what lessons to draw from it, and use those lessons to chart our own futures.

Prime Minister Abe, I welcome you here in the spirit of friendship, as the people of Japan have always welcomed me. I hope that together, we send a message to the world that there is more to be won in peace than in war; that reconciliation carries more rewards than retribution.

Here in this quiet harbor, we honor those we lost, and we give thanks for all that our two nations have won -- together, as friends.

May God hold the fallen in His everlasting arms. May He watch over our veterans and all who stand guard on our behalf. May God bless us all.

Thank you. (Applause.)

The original text: The White House

### Special Feature

## Toward the construction of new Japan-U.S. economic relations: The holding of the Study Group on Japan-U.S. Economy 2016 and submission of a proposal

### 1 About the Study Group on Japan-U.S. Economy 2016

In September 2016, the Study Group on Japan-U.S. Economy 2016 was established as a forum for holding discussions with knowledgeable persons about what the path forward of the Japan-U.S. economic relationship should be and methods of further strengthening all aspects of Japan-U.S. relations in anticipation of the incoming U.S. administration. In the Study Group, the 12 members from various backgrounds held intensive discussions a total of five times from September to November.

### 2 The four pillars

The Study Group compiled the following four pillars in order to further deepen Japan-U.S. economic relations taking into account the situation of the world economy.

**Pillar I: The Need for Further Promotion and Deepening of the Japan-U.S. Economic Relationship and for Promotion of Cooperation Based on This**



Exchange of views between the members of the Study Group on Japan-U.S. Economy 2016 and Foreign Minister Kishida (September 13, Tokyo)

Relationship ([As areas in which cooperation should be promoted,] infrastructure, cutting-edge technologies, and energy have been suggested.)

**Pillar II: The Need to Promote Multilevel Dialogue That Is in Line With the Japan-U.S. Cooperation in a New Era**

**Pillar III: The Need to Exercise Japan-U.S. Leadership towards Advancing Free Trade**

**Pillar IV: The Need to Advance a Strategic Public-Private Partnership**



Discussions regarding the proposal by the members of the Study Group on Japan-U.S. Economy 2016 (December 5, Washington D.C., U.S.)

In November Foreign Minister Kishida gave a lecture entitled “The Japan-U.S. Economic Relationship in a New Era” to world financial market professionals. In the lecture Foreign Minister Kishida, taking into account the pillars proposed from the Study Group, declared his determination to make every effort in his position as foreign minister to build a “Japan-U.S. Economic Relationship in a New Era” through which the two countries can play a responsible role in the world economy.

Furthermore, in December, the members of the Study Group visited Washington DC and participated in an event to announce their proposal at the Center for Strategic and International Studies (CSIS), and in addition they held an exchange of views regarding the proposal, etc. with local knowledgeable persons.

### **3 Toward new Japan-U.S. economic relations**

President Trump, who was elected as the next president in November, also places importance on the infrastructure and energy areas indicated in the proposal, so such areas can become promising business opportunities for both Japan and the U.S. Japan will cooperate and work closely with the new U.S. administration toward building new Japan-U.S. economic relations based on the proposal of the Study Group, in order to further deepen Japan-U.S. economic relations in a variety of areas, including the infrastructure and energy areas.

## 2 Canada

### (1) Situations of Canada

The Trudeau administration inaugurated in November 2015 is running the government steadily backed by a stable approval rating.

With traditionally close relations with the U.S., Canada pursues its diplomacy in multinational venues, including the United Nations, the North Atlantic Treaty Organization (NATO), G7, G20, and the Organization of American States (OAS). In the mid-90's, Canada announced a peacebuilding policy (conflict prevention, support for reconstruction and rehabilitation), while actively engaging in UN peacekeeping operations, the antipersonnel mine issue, and promoting human security. The Trudeau administration bases its diplomatic policy on multilateralism, and is implementing a return to the multinational diplomacy through active initiatives in the humanitarian and international cooperation areas, in particular the acceptance of Syrian refugees, ratification of the Paris Agreement on measures to combat climate change, etc. At the same time, a proactive attitude to bilateral diplomacy can also be seen, including new efforts to strengthen relations with each country through foreign visits and dialogues by the leaders, etc.

On the economic front, the basic policies of the Trudeau administration are to achieve economic growth and strengthen the middle class through expanded infrastructure investment, etc., and it is working on the establishment of new child allowances, tax breaks for the middle class, etc. Externally, its objectives are to expand trade and to attract foreign investment by expanding trade and investment with

high-growth markets including China and India and focusing on deepening its trade relationships with traditional partners such as Japan and Western countries. Specifically, it is taking active steps such as signing the TPP agreement in February and the Canada-EU Comprehensive Economic and Trade Agreement (CETA) in October. In addition, in August it launched the annual trade policy dialogue for consulting with ASEAN regarding promotion of the liberalization of trade and removal of trade barriers, and at the Canada-China Summit Meeting in September; it agreed to commence preliminary discussions toward a Canada-China FTA.

### (2) Japan-Canada Relations

Prime Minister Abe held summit meetings with Prime Minister Trudeau in March and May. The two leaders agreed to further develop their cooperative relationship bilaterally and in the international arena, and to create "A New Era for Cooperation between Japan and Canada," while sharing the recognition regarding situations in the region including East Asia, cooperation in the international arena, etc.

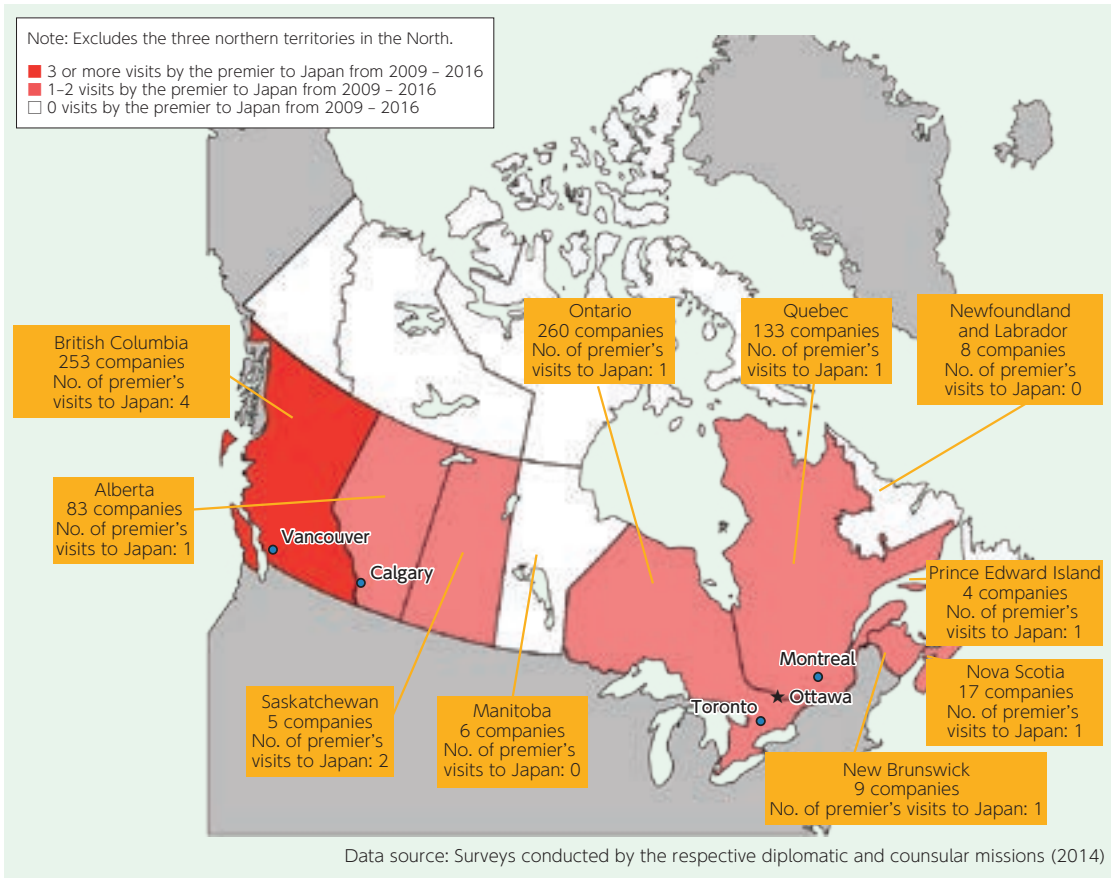
On the economic front, in the summit



Prime Minister Abe shaking hands with Prime Minister Trudeau at the Japan-Canada Summit Meeting (May 24, Tokyo; Photo: Cabinet Public Relations Office)



## Number of Japanese corporations in each province, and visits by the premier of each province to Japan



meeting in May, Prime Minister Abe explained that an early entry into force of the Trans-Pacific Partnership (TPP) is important for strengthening the economic relationship between Japan and Canada and the two leaders confirmed that they intend to make advances on discussions in their respective countries. Furthermore, both leaders agreed to promote evolution of the Japan-Canada Joint Economic Committee (JEC) in order to meet the current need, focusing on five areas of infrastructure, energy, science and technology, business environment and investments, and tourism and student exchanges, and Prime Minister Abe asked Canada to cooperate on the early realization of exports of liquefied

natural gas (LNG) from Canada, and the improvement of the business environment. Furthermore, the both leaders agreed to continue cooperation to respond to global issues, including climate change.

Foreign Minister Kishida had a meeting with Foreign Minister Dion in April, and the two ministers agreed to further strengthen their bilateral relations, including cooperation in the security area, in addition to contributing to both the peace and stability of the region and the world. Furthermore, in their November talks, which is their fourth talks in total, they agreed to further advance the implementation of the “New Era for Cooperation between Japan and Canada” agreed by the prime ministers

of the two countries, and in addition, agreed to further advance discussions toward conclusion of the Japan-Canada Acquisition and Cross-Servicing Agreement (Japan-Canada ACSA) on the grounds that the ACSA is an important project for the deepening of security cooperation between the two countries.

In addition, the third Japan-Canada vice minister-level “2+2” dialogue was held in April, where the participants reaffirmed that they would strengthen cooperation in the security area, and shared their recognition regarding the situation in East Asia, the situation in the Middle East, and the regional and international security environment, including the North Pole. Furthermore, in December the Japan-Canada Politico-Military Consultations (PM) and Military-Military Consultations (MM) were held and in addition, with both governments participating, the 14th Japan-Canada Security Symposium was held in Tokyo, where the participants vigorously exchanged views.

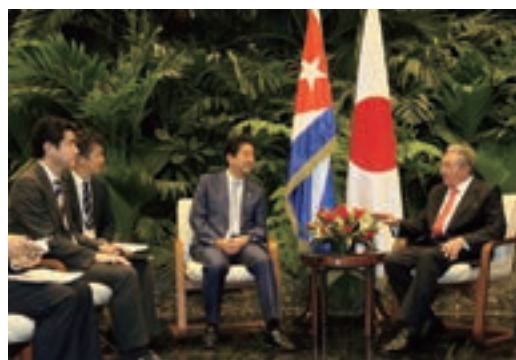
## Section 3

## Latin America and the Caribbean



## Overview

The Latin America and the Caribbean region, with its enormous economic potential, is a major force in the international arena sharing basic values with Japan, and is a key partner for Japan with the largest number of Japanese descendants in the world. This region has a population of approximately 600 million, containing an enormous market with a combined GDP of approximately 5.1 trillion US dollars (approximately two times larger than that of Association of Southeast Asian Nations (ASEAN)). The region also has large amounts of rare metals and shale gas, and produces minerals, energy and food, which, in recent years, have led a significant number of Japanese companies to establish operations in the region. Moreover, with the rule of law and democracy firmly established, the region has a strong presence in the international community. Japan and Latin America and the Caribbean region have traditionally maintained a stable and friendly relationship for a long time. The existence of over 2.13 million Japanese descendants, called “Nikkeis”, living in Latin America, have made the bonds even deeper.



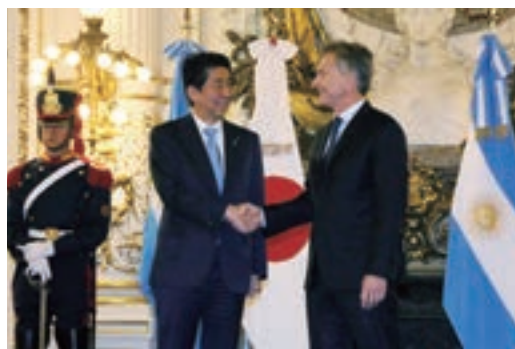
Japan-Cuba Summit Meeting (September 22, Cuba; Photo: Cabinet Public Relations Office)

In 2014, Prime Minister Abe paid official visits to five countries in the region. During this trip, the Prime Minister announced three guiding principles of Japan’s diplomacy for Latin America and the Caribbean: (1) Progress together (strengthening economic relations); (2) Lead together (working together with the international community); and (3) Inspire together (promoting people-to-people exchanges, and cultural and sports exchanges). Based on these principles, Japan is strengthening the ties with the region.

In 2016, Japan’s diplomacy directed at Latin America and the Caribbean was particularly remarkable. Prime Minister Abe visited Rio de Janeiro (Brazil) in August to attend the closing ceremony for the Olympic Games, which was followed by



Meeting between Foreign Minister Luna of Peru and Foreign Minister Kishida (November 17, Peru)



Prime Minister Abe shaking hands with President Macri of Argentina (November 21, Argentina; Photo: Cabinet Public Relations Office)

the first sitting prime minister's visit to Cuba in September. Furthermore, in November he attended the APEC Economic Leaders' Meeting in Peru as well as paid an official visit there; moreover he became the first sitting prime minister to visit Argentina for the first time in 57 years. From Latin America and the Caribbean Countries, President Varela of Panama visited Japan in April and President Temer of Brazil visited Japan in October.

Foreign Minister Kishida also visited Peru to attend APEC in November, holding a meeting with Foreign Minister Luna of Peru. In addition, he held meetings with Foreign Minister Loizaga of Paraguay in March, Foreign Minister Martínez of El Salvador in May, Foreign Minister Malcorra of Argentina in July, and Minister of Foreign Affairs and Foreign Trade Johnson Smith of Jamaica in December. In September he took the opportunity of the United Nations General Assembly to hold the Japan-CARICOM Ministerial-Level Conference. Thus, the exchanges between Japan and Latin America and the Caribbean Countries were extremely vigorous in 2016 and initiatives for overcoming geographical constraints were carried out.

Regarding economic aspects, a variety of initiatives have been implemented for the

improvement of the business environment in Latin America and the Caribbean in order to support Japanese companies. In January the Consulate-General of Japan in León was opened in Guanajuato State, Mexico, where the influx of Japanese companies, particularly in the automobile industry, and increase in the number of Japanese residents is remarkable. In November the Second Japan-Cuba Joint Public-Private Committee Meeting was held in Tokyo and in Argentina, taking the opportunity of the visit of Prime Minister Abe to that country, an Economic Forum was held with the participation of 500 people. Moreover at the Japan-Peru Summit Meeting in November, the leaders decided to commence consultations regarding a Japan-Peru convention for the avoidance of double taxation and in addition in December the Tax Convention with Chile entered into force.

The year 2016 is the 80th anniversary of Japanese immigration to Paraguay, so a variety of commemoration ceremonies were held. In addition this year also marked the 60th anniversary of the establishment of diplomatic relations between Japan and Haiti and the 60th anniversary of Japanese immigration to the Dominican Republic.

## 1 Strengthening Relations and Cooperating with Latin America and the Caribbean Countries

### (1) Progress together (Strengthening Economic Relations)

The Latin America and the Caribbean region includes some of the world's largest economies, such as Brazil (9th largest gross domestic product (GDP) in the world and a G20 member), Mexico (15th largest GDP in the world and a G20 member), and Argentina (21st largest GDP in the world and a G20 member), and the rate of the middle class is increasing year by year. Furthermore, it has the countries on the Pacific coast such as Colombia, Peru, Chile and Panama which are maintaining strong growth and countries rich in mineral resources such as Venezuela and Bolivia and its economic potential has attracted attention.

The economic growth of the region has been sluggish due to falling commodity prices and the economic slowdown of major countries outside the region. However, many countries in the region have continued to achieve stable growth, and the region is still attracting a high level of interest from Japanese companies. The number of Japanese companies expanding into the Latin America and the Caribbean region has been increasing year by year and has reached 2,508 companies (as of October 2015). In particular, in Mexico where the increase in the number of Japanese residents since the Japan-Mexico EPA entered into force in 2005 has been dramatic, the Consulate-General of Japan in León was opened in Guanajuato State in January. The number of Japanese companies moving into this country has approximately tripled since the EPA

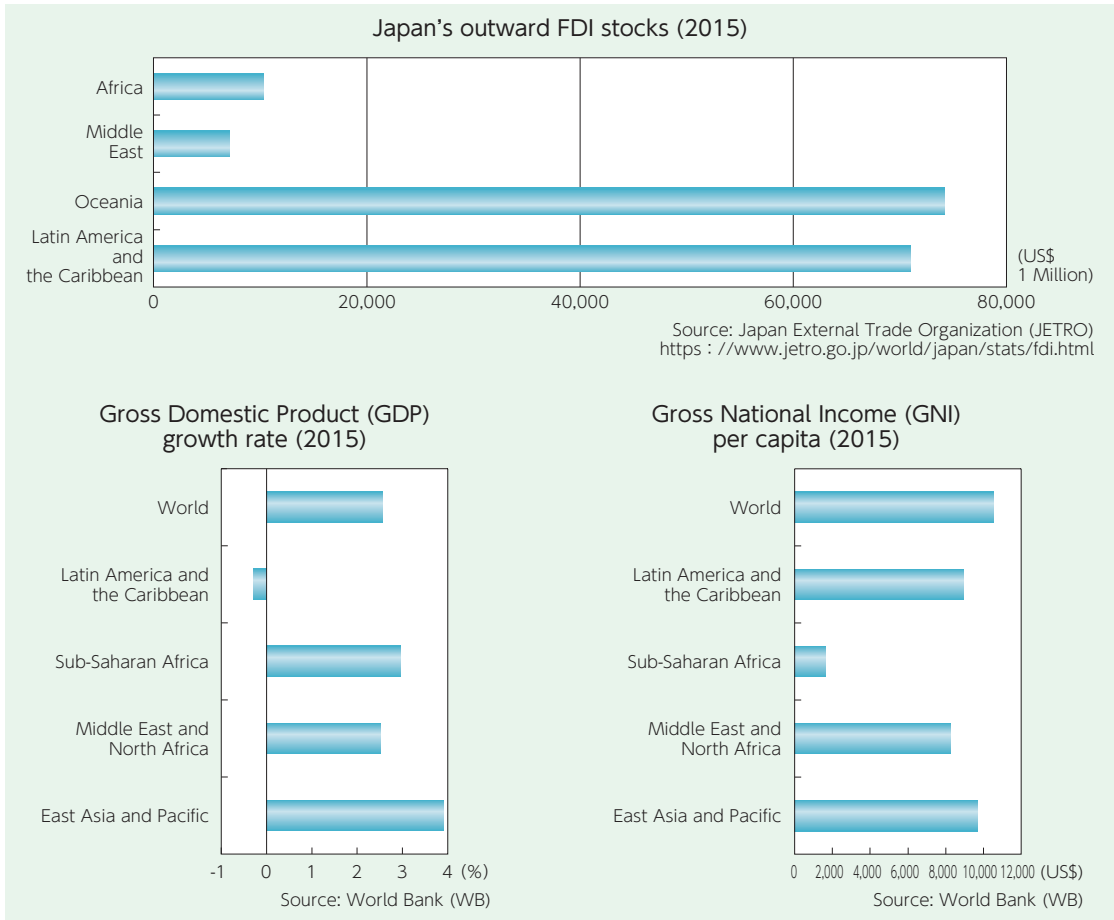
entered into force, and had reached 1,111 companies as of October 2016.

Japan places importance on each country in Latin America and the Caribbean region as an economic partner to grow together, and the public and private sector unite to promote and facilitate trade and investment between Japan and the region. Specifically, the Government launched the Joint Public-Private Committee Meeting with Argentina, and in addition, held the Joint Public-Private Committee Meeting with Cuba upgraded to the political level in November. Furthermore, it held economic dialogues aimed at strengthening relations with the Common Market of the South/Mercado Comun del Sur (MERCOSUR). In addition, through frameworks for dialogue in which both the public and private sector participate, such as the business environment improvement committees under each EPA, the Japan-Argentina Business Environment Improvement Committee, the Japan-Argentina Joint Committee on Promoting Trade and Investment, the Japan-Brazil Joint Committee on Trade and Investment. Japan is carrying out initiatives aimed at improving the business environment with Latin America and the Caribbean countries.

### (2) Lead together (working together in the international community)

Japan is focusing its energies on strengthening cooperation in the international arena with Latin America and the Caribbean Countries in the increasingly severe international situation. In the summit meetings with Argentina, Colombia, Cuba, Brazil and Peru held in 2016, Japan explained its position and sought the understanding and cooperation of those countries regarding the issues of North

## Comparison of economic indexes



Korea and South China Sea and East China Sea issues. In addition Japan confirmed that it would strengthen cooperation on global issues such as nuclear disarmament and non-proliferation, and climate change. In the Fifth Japan-CARICOM Ministerial-Level Conference held in September, the importance of maintaining and strengthening cooperative relationships aimed at realization of UN Security Council reform was confirmed. Furthermore, Japan is placing importance on cooperation with Uruguay, which served as a UN Security Council non-permanent member from 2016, and Bolivia, which took up its position as a non-permanent member in January 2017.

In addition, together with the countries of Argentina, Chile, Brazil and Mexico which have received support from Japan previously and have now reached an economic level enabling them to provide support to third countries, Japan is advancing so-called triangular cooperation that provides support to other developing countries.

Moreover, Japan has provided quick and timely cooperation for natural disasters such as hurricanes and earthquakes. In February, Japan extended emergency grant aid of 1 million US dollars in response to the Zika virus infection in Latin America and the Caribbean, and in April Japan

provided emergency relief goods and extended emergency grant aid of 1.35 million US dollars in response to the large-scale earthquake that occurred in Ecuador. Regarding the damage from hurricane Matthew which hit Haiti and Cuba in October, Japan provided emergency relief goods and extended emergency grant aid totaling 3 million US dollars to Haiti, and in addition, provided emergency relief goods to Cuba. Japan worked with Chile, where natural disasters frequently occur, to implement Disaster Risk Reduction Training Program for Latin America and the Caribbean and in addition, cooperated with respect to the UN resolution regarding the establishment of World Tsunami Awareness Day and implemented combined Tsunami Disaster Drills.

### (3) Inspire together (promoting people-to-people exchanges, cultural and sports exchanges, and other exchanges)

The year 2016 was the 60th anniversary of the establishment of diplomatic relations between Japan and Haiti, the 80th anniversary of Japanese immigration to Paraguay, and the 60th anniversary of Japanese immigration to the Dominican Republic. Japanese descendants in Paraguay have contributed to the development of that country through agriculture, in particular soy bean cultivation, and commerce. In 2016, the 80th anniversary of Japanese immigration, in conjunction with commemoration ceremonies (See Special Feature “Strengthening Exchanges and Cooperation with Japanese Descendants in Latin America and the Caribbean”) Japan Festival was held, in which 18,000 people participated, and they were a great success.

In 2016, high-level exchanges were invigorated more than ever before throughout the year. In addition to the visits by Prime Minister Abe to Brazil, Cuba, Peru, and Argentina and the visit of Foreign Minister Kishida to Peru, many visits were conducted to Japan from Latin America and the Caribbean Countries included Deputy Prime Minister Davis of The Bahamas in February, Foreign Minister Loizaga of Paraguay in March, President Varela of Panama in April, Vice-President Michetti of Argentina, Foreign Minister Martínez of El Salvador, and Vice-president of the Councils of State Díaz-Canel of Cuba in May, Foreign Minister Malcorra of Argentina in July, President Temer of Brazil in October, and Minister of Foreign Affairs and Foreign Trade Johnson Smith of



Prime Minister Abe shaking hands with President Temer of Brazil (October 19, Tokyo; Photo: Cabinet Public Relations Office)



Foreign Minister Kishida shaking hands with Vice-president of the Councils of State Díaz-Canel of Cuba (June 3, Tokyo)

Jamaica in December.

Furthermore, in 2016 the first Olympics and Paralympics in Latin America were held in Rio de Janeiro, where many Japanese people visited Brazil and other parts of the Latin America and the Caribbean region, deepening exchanges in a variety of areas. Moreover, “the Shitamachi Bobsleigh Network Project Team” comprised of small factories in Ota Ward, Tokyo, provided a completed bobsleigh to the bobsleigh team of Jamaica, which provided a good opportunity for the ties between the two countries to be widely known in society and an opportunity to demonstrate to the world the high technical capacity of small and medium-sized businesses in Japan. (See Column “Shitamachi Bobsleigh”)

#### (4) Cooperation with Latin America and the Caribbean Countries through Regional Organizations

Diverse frameworks and organizations for regional integration exist in Latin America and the Caribbean region which are contributing to deepening political and economic ties. Japan is strengthening its cooperation with regional organizations such as the Pacific Alliance, the Forum for East Asia-Latin America Cooperation (FEALAC), the Central American



Foreign Minister Kishida attending the Fifth Japan-CARICOM Ministerial-Level Conference (September 21, New York, U.S.)

Integration System (SICA), the Caribbean Community (CARICOM), the Union of South American Nations/Union de Naciones Suramericanas (UNASUR), the Common Market of the South/Mercado Comun del Sur (MERCOSUR) to address to the various issues in the region and the international community. In September the Japan-CARICOM Ministerial-Level Conference was held, and Japan confirmed that it would further strengthen cooperation with the CARICOM countries, with which it shares basic values, in line with the three pillars of Japan's CARICOM policy ((1) Cooperation towards sustainable development, including overcoming the vulnerabilities particular to small island states, (2) Deepening and expanding fraternal bonds of cooperation and friendship, and (3) Cooperation in addressing challenges of the international community) announced by Prime Minister Abe in 2014. In particular, all of the CARICOM countries have strong concerns about the impact of climate change, and are placing importance on cooperation with Japan in areas such as disaster risk reduction, the environment, and renewable energy.

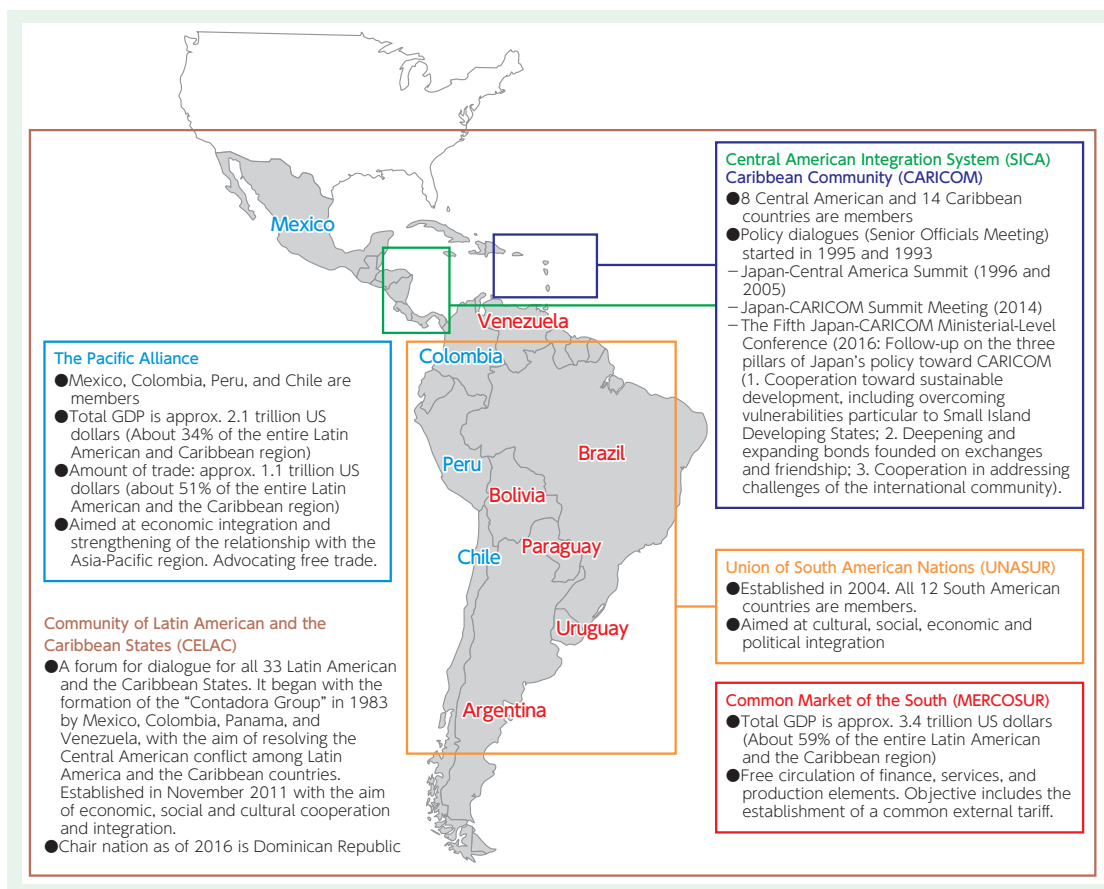
## 2 Situation in Latin America and the Caribbean Region

### (1) Political situation

In 2016, presidential or general elections were held in Jamaica, Peru, Dominican Republic, Saint Lucia, Nicaragua, and Haiti. In Jamaica, the opposition party, Jamaica Labour Party won and party leader Andrew Holness became prime minister; in Peru Pedro Pablo Kuczynski narrowly defeated candidate Keiko Fujimori to win the election. In the Dominican Republic,



## Regional Organizations in Latin America and the Caribbean



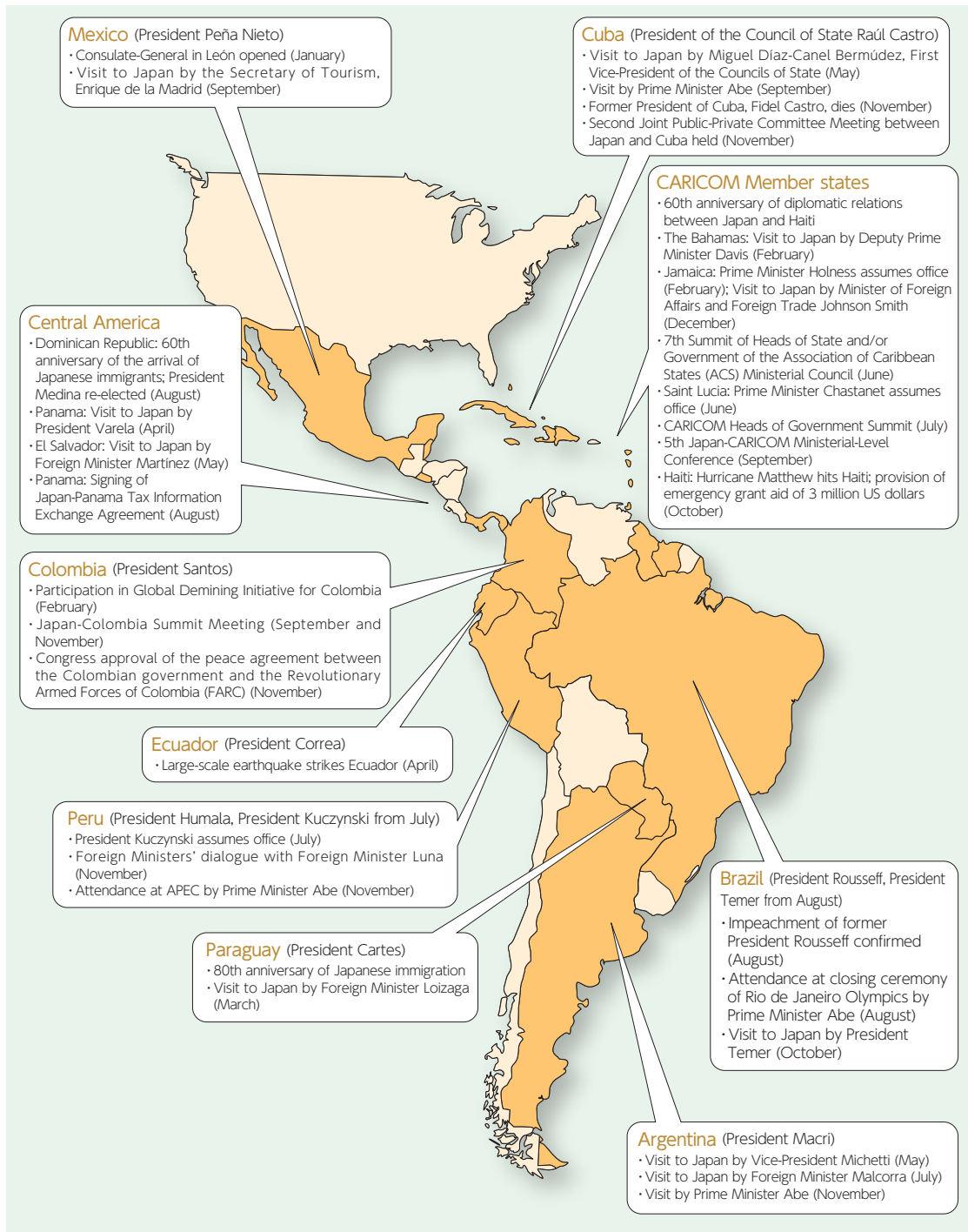
President Danilo Medina won re-election, and in Saint Lucia there was a change of government and Prime Minister Allen Chastanet took power.

Furthermore, in March, President Obama became the first sitting U.S. president to visit Cuba in 88 years, which has become a turning point in the history of confrontation that had lasted since the Cuban revolution in 1959. On the other hand, Fidel Castro, the leader of the Cuban revolution and the former President of the Council of State of the Republic of Cuba passed away in November, and dignitaries from approximately 60 countries around the world participated in the ceremony held in the capital Havana. In August, immediately

after the closing of the Rio de Janeiro Olympics in Brazil, the impeachment of President Dilma Rousseff was established on the grounds of her liability for fraudulent manipulation of the national budget. In Colombia, the peace negotiations the government started with the Revolutionary Armed Forces of Colombia (FARC) in 2012 reached a final agreement and a peace accord was approved by the Congress in November.

As regional integration organizations, the 4th Community of Latin American and Caribbean States (CELAC) Summit Meeting (in Ecuador) in January, the 7th Association of Caribbean States (ACS) Summit Meeting (in Cuba) and 46th Organization of

## Major events in 2016 (by country/region)





Visit by Prime Minister Abe to Peru (November 18, Peru; Photo: Cabinet Public Relations Office)

American States (OAS) General Assembly (in the Dominican Republic) in June, and the CARICOM Summit Meeting (in Guyana) in July were held.

## (2) Economic conditions

The economic growth rate of the entire region was minus 0.7% in 2016 (estimated by the International Monetary Fund (IMF); hereinafter the same). In particular, due to falling commodity prices and political corruption, in recent years, countries that economically depend on commodity products such as crude oil or mineral resources continue to face severe economic circumstances. Specifically, the economic growth of Brazil, which boasts the largest economy in the region, was minus 3.5%, a remarkable level of stagnation. Furthermore, Venezuela, which has maintained a state-managed economy since the era of the Hugo Chávez administration, is in a severe situation, with economic growth forecast to be minus 10% and the inflation rate forecast to be approximately 480%.

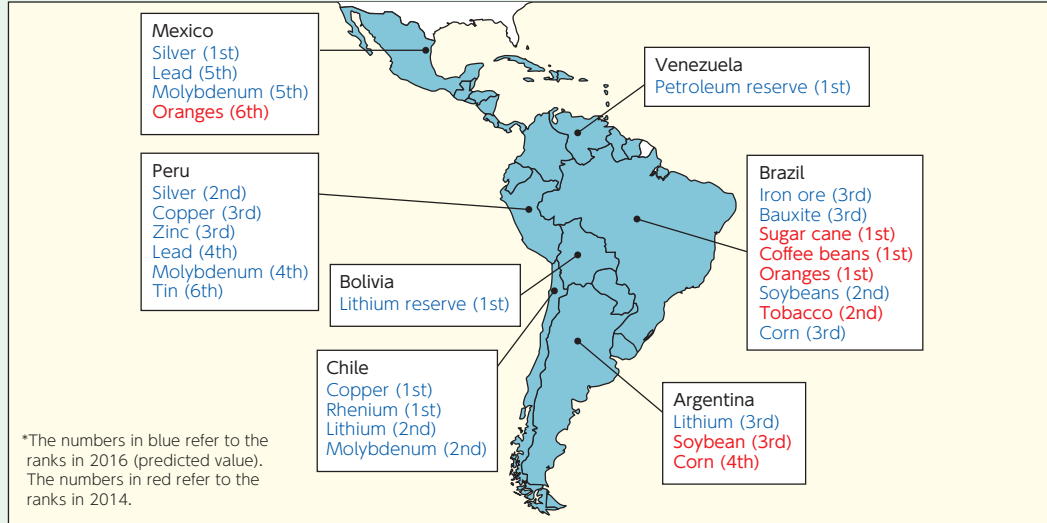
On the other hand, in Mexico, a member of the G20 to which a remarkable number of companies are entering from Japan, the economic growth rate is forecast to remain strong at 2.2% continuing on from last year.

In addition some countries, particularly in Central America, are forecast to record notable economic growth rates such as 5.9% in the Dominican Republic, 5.2% in Panama, 4.5% in Nicaragua, 4.3% in Costa Rica.

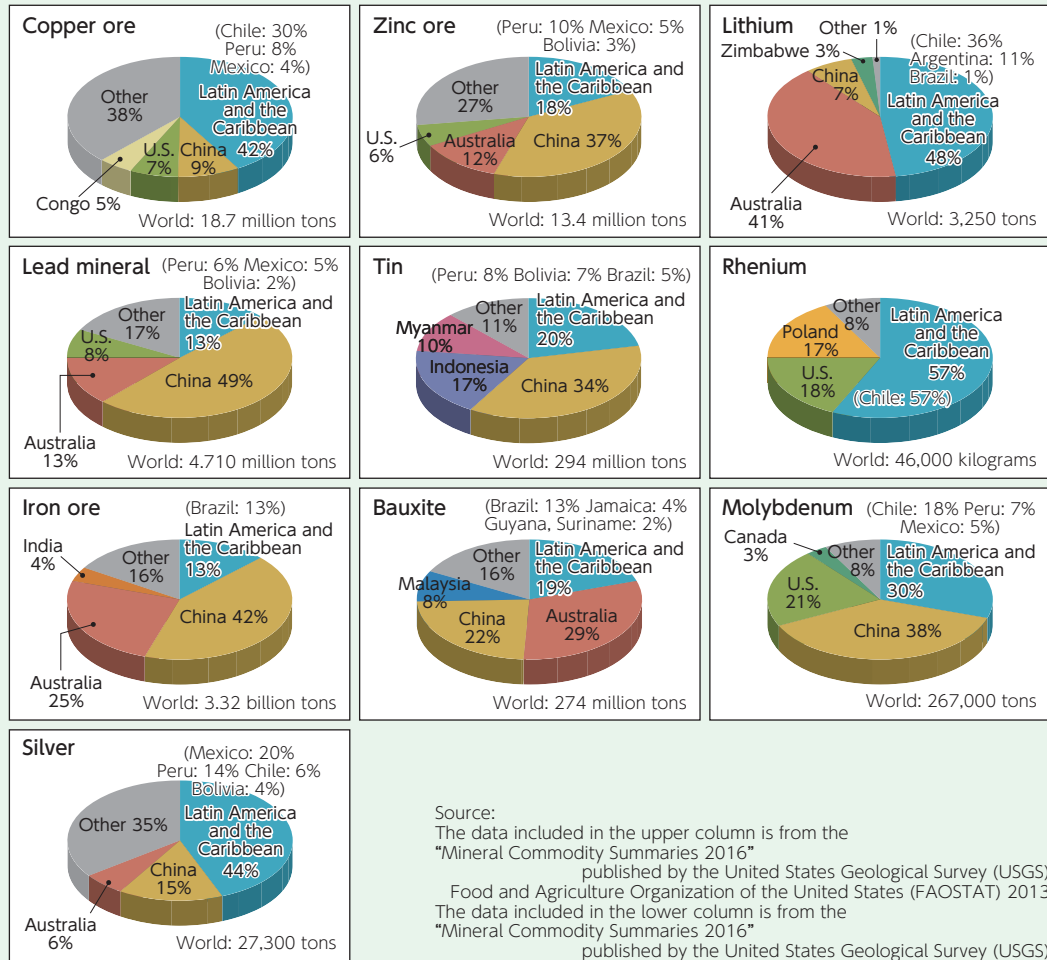
Latin America and the Caribbean region is a major global food and natural resources supply area. In particular, regarding food it is a major producer of coffee beans, oranges, soy beans, salmon, corn, etc., and regarding natural resources, in addition to silver, copper, zinc, iron ore, oil, etc., the region is a major producer of rare metals such as lithium, molybdenum, and rhenium, the demand for which is increasing. In recent years, Argentina, the world's 2nd largest shale gas possible reserves and Mexico, the world's 6th largest possible reserves, are attracting attention as the sites of major reserves of shale gas. Furthermore, in June the Panama Canal was expanded and the passage of liquefied natural gas (LNG) carriers became possible, so increased use of LNG carriers going forward is forecast.

Resources, Energy and Food Production in the Latin America and the Caribbean Region in 2015

Mineral resources, energy and food (Unless noted specifically, the numbers in the parenthesis refer to global ranks regarding the amount of production or yield)



Mineral Resources (Production) (2015 predicted value)



## Column Strengthening exchanges and collaboration with Japanese immigrants and their descendants (“Nikkei”) in Latin America and the Caribbean

Latin America and the Caribbean have the largest Nikkei communities overseas, which consist of approximately 2,130,000 Japanese immigrants and descendants in the world. “Nikkei” refers to Japanese people who moved their home from Japan and are living overseas with the objective of living there permanently, and their descendants. More than 100 years have passed since Japanese people started immigrating to Latin America and the Caribbean. During that time, Nikkeis have been active in all fields, made contributions to their local communities, and obtained the trust of each country due to their diligent and honest characters. As a result, the presence of Nikkei is the foundation of the goodwill, trust, and high evaluation of the Latin American and the Caribbean countries towards Japan. Furthermore, Nikkeis have made strong efforts to disseminate Japanese culture in the countries in which they are living, and even today they are playing an important role as a bridge between Japan and the Latin America and the Caribbean countries.

On the other hand, more than 100 years of history have passed, and today third, fourth, and later generations are the main actors at the heart of Japanese communities. For this reason, their ties with the traditional Nikkei organizations that supported Japanese immigrants and descendants from the early days are becoming weak, and a new generation that have little awareness of Japanese descendants is emerging. At the same time, a new trend is emerging among young generation such as connecting with each other across regions and countries through social networking services and events, etc. Strengthening of collaboration with Japanese descendants, including this new generation, is becoming increasingly important in Japan’s strengthening of relations with Latin America and the Caribbean.

The year 2016 marked the 80th anniversary of Japanese immigration to Paraguay. Her Imperial Highness Princess Mako of Akishino visited Paraguay from September 7 to September 14. Her Imperial Highness attended the ceremony to commemorate the 80th anniversary of Japanese immigration to Paraguay, and had opportunities for interactions with Nikkeis of wide range of generations in Asuncion, the capital of Paraguay, and Japanese colonies in regions.

Furthermore, in November the same year, Prime Minister Abe gave a speech in Argentina calling for collaboration with Nikkei in Latin America and the Caribbean. Prime Minister Abe expressed respect and gratitude for the contributions of the Nikkeis to date, and



Her Imperial Highness Princess Mako of Akishino deepening relations with Nikkeis throughout Paraguay (September 9, Paraguay; Photo: La Federación de Asociaciones Japonesas en el Paraguay)

declared Japan's support for the cultural and sports activities of Nikkeis across borders and that approximately 1,000 Japanese descendants would be invited to Japan over the next five years. Prime Minister Abe concluded his speech by saying "I too will make every effort to ensure that you all think of Japan with pride. Moreover, I tend to make every effort to support you all so that you can achieve even more in the regions in which you live." He received thunderous applause from the crowd of 920 people at the gathering. It is expected that collaboration with Japanese descendants in Latin America and the Caribbean will be further strengthened through this visit.



Prime Minister Abe making a speech at an exchange event with Nikkei (November 21, Argentina; Photo: Cabinet Public Relations Office)

### **Column** Shitamachi Bobsleigh: The Spirit of Craftsmanship and the Diplomacy of Japan Bear Fruit in Jamaica

*"We hope to build world's fastest machine." - over 30 small factories have put together the strength in manufacturing that they have cultivated over the years to take on the world.*

This was one passage in the policy speech by Prime Minister Abe in the 183rd Session of the Diet in February 2013. In Ota Ward, Tokyo, there were craftspeople led by Mr. Junichi Hosogai working feverishly with the aim of becoming the number one in the world with a bobsleigh.

Bobsleigh is still a minor sport and the competition level is not necessarily high in Japan, but in Europe it is one of the popular sports, and famous large companies such as Ferrari, BMW, McLaren, etc. are involved in the development of sleds. "The Shitamachi Bobsleigh Network Project" in Ota Ward was the first company to begin the development of sleds made in Japan.

This project was started in 2011, the first bobsleigh was completed in the following year, and in March 2013 a Japan-made bobsleigh made its debut in an international competition. In June of the same year, the Shitamachi Bobsleigh Limited Liability Company was established, and it has continued to constantly make progress. For example, it was certified as a Japan Brand Development Assistance Program.

However, it has not always been an easy road to travel. In November 2013 the Japan Bobsleigh, Luge and Skeleton Federation gave notice that the Shitamachi bobsleigh would not be used in the Sochi Winter Olympic Games the following year and also issued 27 demands for improvements. Subsequently, the company worked hard to meet all the demands for improvement that had been pointed out, but in November 2015 it was

announced by the Japan Federation that the Shitamachi bobsleigh would not be used in the Pyeong Chang Winter Olympic Games either. This was a tremendous shock for the craftspeople in Ota Ward. On the other hand, overseas expansion was suggested, and the company directed its efforts toward selling the bobsleigh abroad. One of the countries they approached was Jamaica, which was famous for the movie *Cool Runnings*.

The passionate ambition of the craftspeople was also transmitted to the diplomats of Japan. In December 2015 Hiromoto Oyama, Counsellor of the Embassy of Japan in Jamaica, happened to meet the president of the Jamaica Bobsleigh Federation taking a break at a cafe with his family in the afternoon of the day before going on an overseas business trip, and started talking about the bobsleigh. The president was very receptive and expressed an extremely positive attitude regarding use of the Japan-made bobsleigh. It is a result of the daily efforts of the Embassy to build relations. The president gave a favorable response, and the Embassy of Japan in Jamaica came to dedicate its heart and soul to matching Japan's offer and Jamaica's interest.

The enthusiasm of the Japanese craftsman and diplomats bore fruit, and in January 2016 it was finally decided that the Jamaican bobsleigh team would use the Shitamachi bobsleigh. The sleds are loaded with the Japanese spirit, aiming to become the world champion, and are continuing to progress even today, targeting the 2018 Pyeong Chang Winter Olympic Games.



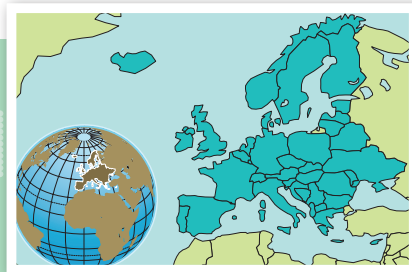
Press conference in the Ota Ward Industrial Plaza (January 14; Photo: Shitamachi Bobsleigh Network Project)



At GC Foster College in Spanish Town, Jamaica. President Chris Stokes (center), Mr. Hosogai, representative of Shitamachi Bobsleigh Limited Liability Company (third from right), and Mr. Oyama Counsellor of the Embassy of Japan in Jamaica (second from right) (July 4)

## 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.

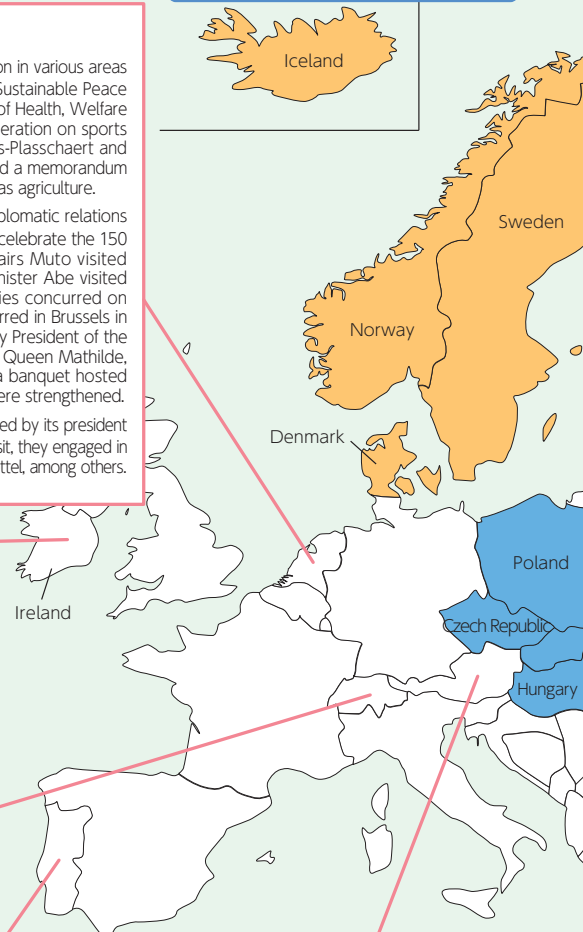
**Ireland:** The year 2017 is the year commemorating the 60th anniversary of the establishment of diplomatic relations between Japan and Ireland. In January 2017, Foreign Minister Kishida visited Ireland for the first time in 26 years as the sitting foreign minister. During the visit, he attended the 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.

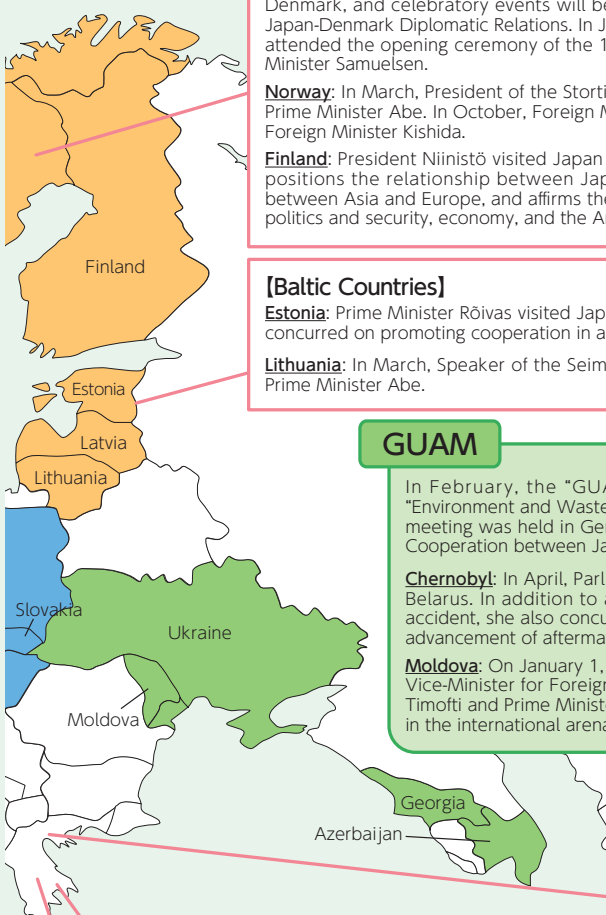
**Moldova:** On January 1, the Embassy of Japan in Moldova opened. In September, Parliamentary Vice-Minister for Foreign Affairs Takisawa visited Moldova, exchanging opinions with President Timofti and Prime Minister Filip, among others, strengthening bilateral relations and cooperation in the international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

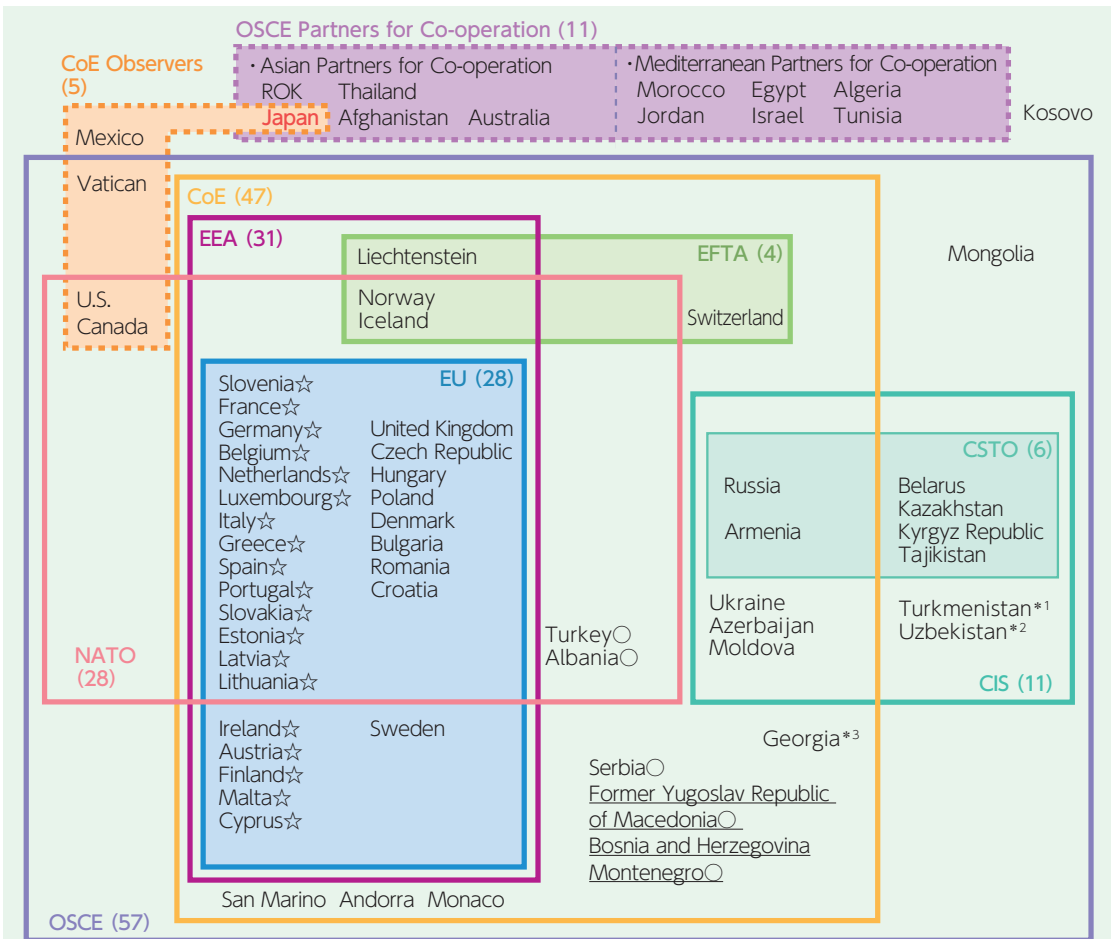
Relief (HA/DR), and cyberspace related exercises as an observer. Furthermore, Japan has dispatched female Self-Defense Force personnel to NATO headquarters in order to encourage cooperation in the areas of women, peace, and security.

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

<sup>1</sup> 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 College<sup>2</sup>, 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)

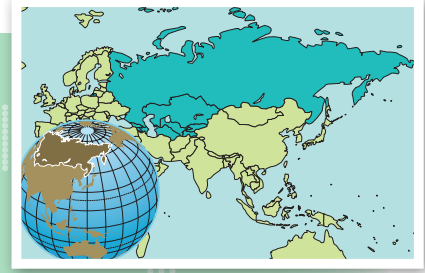
The CoE is a regional organization of 47 member countries in Europe and fulfills an important role in establishing international standards in the fields of democracy, human rights, and the rule of law. As the only observer from Asia, Japan has been making active contributions to various activities of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

<sup>2</sup> 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.

## Section 5

## Russia, Central Asia and Caucasasia



## Overview

Given the rapidly changing strategic environment of the Asia-Pacific region, developing relations with Russia as Japan's appropriate partner in the region contributes to Japan's national interest and regional peace and prosperity. With such understanding, Japan-Russia cooperation progressed in a wide range of areas in 2016. Four Summit Meetings, including the summit meeting in December on the occasion of President Putin's visit to Japan as president for the first time in 11 years, and three foreign ministers' meetings were held. And on the economic front, the eight-point Cooperation Plan for Innovation in the Living Environment, Economy, and Industry of Russia<sup>1</sup> was specified, and there were security, culture, and human exchanges.

Regarding the Northern Territories Issue, which is the greatest concern between Japan and Russia, negotiations based on a "new approach" proceeded, and at the summit meeting in December, the two leaders expressed their sincere determination to

resolve the peace treaty issue, agreed to commence discussions on a special arrangement for undertaking joint economic activity on the four islands, and agreed to improve procedures for the former island residents to make grave visits, etc.

While continuing to have political dialogues at various levels including the summit level, and promoting overall Japan-Russia cooperation in every related field, Japan will energetically negotiate with Russia with a view to concluding a peace treaty, through the resolution of the Northern Territories issue.

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 uranium and other minerals. Also, these countries are important in the context of efforts to address key issues the international community faces such as the stability of the whole region, the fight against terrorism, and measures to counter illicit drugs. In 2016, the countries in Central Asia and the Caucasus celebrated the 25th

<sup>1</sup> (1) Extending healthy life expectancies, (2) developing comfortable and clean cities easy to reside and live in, (3) fundamentally expanding small and medium-sized companies exchange and cooperation, (4) energy, (5) promoting industrial diversification and enhancing productivity in Russia, (6) developing industries and export bases in the Far East, (7) cooperation on cutting-edge technologies, and (8) fundamentally expanding people-to-people interaction.

anniversary of their independence from the Soviet Union.

Japan will continue to work for the strengthening of bilateral ties with these countries through VIP visits, etc., and will continue initiatives to promote regional cooperation utilizing the framework of the “Central Asia plus Japan” Dialogue, etc.

## 1 Russia

### (1) Situation of Russia

#### A Internal Situation in Russia

After the “annexation” of Crimea in March 2014, President Putin won the overwhelming backing of public opinion. President Putin maintained high approval ratings throughout the year 2016 even though the Russian economy continued to be in a predicament. In the State Duma (lower house) elections in September, the ruling party “United Russia” won 343 seats (out of 450 seats), far more than the two-thirds (300 seats) necessary to amend the constitution.

#### B Russian Economy

Since the second half of 2014, the Russian economy has been greatly impacted by the fall in international oil prices and economic sanctions by the West, resulting in a falling ruble and share prices, but in 2016 the depreciation of the ruble stopped as a consequence of rising oil prices, and inflation also stabilized, so there was a sense that the Russian economy had bottomed out. The growth rate in 2015 was minus 2.8% whereas in 2016 it was only minus 0.2%. However, the improvement of production is slow, and signs of a stable recovery in consumption and investment, etc., have not been seen.

## C Russian Diplomacy

Russia and the European countries/U.S. were in confrontation regarding sanctions over the Ukrainian situation, the response to the situation in Syria, the field of missile defense, etc. In January 2017 President Trump took office in the U.S. and in Europe, elections are planned in France, Germany, etc., in 2017. Future prospects for Russia-U.S. relations and Russia-Europe relations will be attracting attention.

On the other hand, regarding China, the two countries continued to maintain a close relationship, although stagnation of economic projects between Russia and China are seen due to the slowdown of the Chinese economy. They have been conducting joint naval exercises since 2012 and they conducted them in the South China Sea for the first time in 2016. Russia also deepened cooperation with China by beginning the actual provision of weapons under a contract for exporting the latest weapons to China, which was concluded in 2015. In the international arena, Russia also cooperated with China at the UN and in multinational frameworks that Russia places importance on, namely BRICS (Brazil, Russia, India, China and South Africa) and the Shanghai Cooperation Organization (SCO).

In the Middle East, since Russia launched airstrikes in Syria in response to the request from the Assad Administration in September 2015, Russia has been increasing its presence in the Syria situation.

### (2) Japan-Russia Relations

#### A Japan-Russia Relations in the Asia-Pacific Region

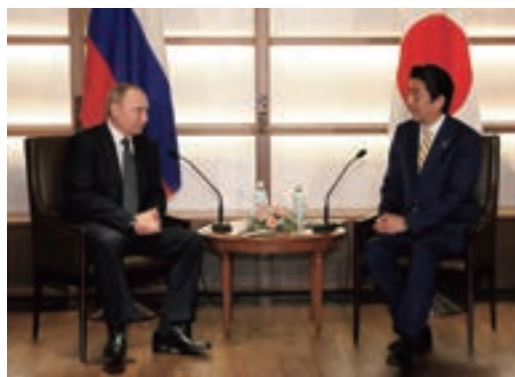
In recent years, Russia places importance on the development of the Russian Far

East and the East Siberia and has been proactively enhancing relations with the states in the Asia-Pacific region that is a center of the growth of global economy. The development of the relations with Russia as a partner in the Asia-Pacific region contributes not only to Japan's national interests but also to peace and prosperity of the region. Japan and Russia have developed cooperative relations in various fields including security, economy and human exchange; whereas, the Northern Territories Issue restricts development of Japan-Russia relations. While placing importance on close relations between the leaders and foreign ministers, the Government of Japan is strenuously working to resolve the Northern Territories issue and conclude a peace treaty with Russia.

### **B The Northern Territories and Negotiations for Conclusion of a Peace Treaty**

The Northern Territories Issue is the greatest concern between Japan and Russia. Japan's position is that the four Northern Islands belong to Japan. The Government of Japan has been energetically continuing negotiations with Russia under its consistent policy of concluding a peace treaty with Russia through the resolution of the issue of the attribution of the four Northern Islands on the basis of the agreements and documents made by the two sides so far, such as the Japan-Soviet Joint Declaration of 1956, the Tokyo Declaration of 1993, the Irkutsk Statement of 2001, and the principles of law and justice<sup>2</sup>.

In 2016, political dialogue was carried out actively, in particular there were



Japan-Russia Summit Meeting (December 15, Nagato City, Yamaguchi Prefecture; Photo: Cabinet Public Relations Office)

four summit meetings and three foreign ministers' meetings. In the Japan-Russia Foreign Ministers' Meeting in April, the ministers confirmed that they would create a solution acceptable to both countries, despite differences in the historical interpretations and legal positions of the two countries. And at the Japan-Russia Summit Meeting in Sochi in May the two leaders shared the view that the two countries should actively proceed with negotiations through a "new approach" that is not stuck in a traditional way of thinking and in order to overcome the current negotiation stalemate and make a breakthrough. Based on this, negotiations toward the conclusion of a peace treaty were held between the foreign ministries of the two countries in June and August. At the Summit Meeting in Vladivostok in September, in a serious yet candid atmosphere with only the two leaders present, they spent time holding a discussion for making concrete progress in the negotiations based on a "new approach". Subsequently, preparations were advanced for the visit of President Putin to Japan in December through the Foreign Ministers'

<sup>2</sup> Way back when the Soviet Union continued denying the presence of a territorial issue itself, Foreign Minister Masayoshi Ohira proposed to refer the Northern Territories Issue to the International Court of Justice in October 1972, which Foreign Minister Gromyko of the Soviet Union turned down. At present, the Russian side admits the necessity to conclude a peace pact through bilateral negotiations with Japan, engaging in negotiations for the solution of the issue.

Meeting on the occasion of the UN General Assembly in September, the Summit Meeting on the Occasion of the APEC Economic Leaders' Meeting in Peru in November, and the visit to Russia of Foreign Minister Kishida in December. On the other hand, moves such as the development of military facilities, in particular the announcement of the deployment of surface-to-ship missiles on Etorofu and Kunashir islands (in November), and giving names to unnamed reefs, etc., are contradictory to the Government of Japan's position regarding the Northern Territories issue and it made protests.

At the Summit Meeting in Yamaguchi when President Putin visited Japan in December, the two leaders held a candid and in-depth *tete-a-tete* discussion on the peace treaty issue for one hour and 35 minutes, and as a result, they expressed their sincere determination to resolve this issue. Based on this, they agreed to commence discussions on undertaking joint economic activity on the four Northern Islands under a special arrangement, and agreed to improve procedures for the former island residents to make grave visits, etc. Taking into consideration the heartfelt appeal of the former island residents, whose average age has already exceeded 80 years old, the Government of Japan intends to advance steadily toward a resolution of the issue step by step while also putting the outcomes of this meeting into practice.

Japan is actively working on projects contributing to the improvement of atmosphere for resolution of the Northern Territories Issue, such as the four-islands exchange program, free visits, and visit to graves. Japan is also promoting cooperation such as disaster prevention and ecosystem

conservation in adjacent areas of the two countries including the four Northern Islands.

The Government of Japan is approaching and coordinating with the Russian side in order to ensure safe operations for Japanese fishing vessels in the waters surrounding the four Northern Islands and to continue the fishing of salmon using an alternative fishing method to the prohibited driftnet fishing.

### **C Japan-Russia Economic Relations**

Due to the falling prices of oil and natural gas, the major export commodities, the stagnation in the Russian economy, and other factors, Japan-Russia trade volume in 2016 amounted to approximately 16.3 billion US dollars, declining for the third straight year since the record high in 2013 (about 34.8 billion dollars) (21.6% decrease compared to the previous year, according to Japanese statistics). On the other hand, in the second half of the year (July to December) there were changes to the situation. For example, auto exports, which had been declining in recent years, began to increase. The volume of Japanese direct investment to Russia increased from 202.6 billion yen (2014) to 216.8 billion yen (2015). At the Japan-Russia Summit Meeting in Sochi, Russia in May, the eight-point Cooperation Plan for Innovative Reform in the field of Industry and Economy of Russia as a leading country of a favorable living environment proposed by Prime Minister Abe was highly praised by President Putin, and the two leaders agreed to materialize the plan. Subsequently, proposals regarding individual projects, etc., related to the plan were made by both countries and at the Japan-Russia Summit Meeting on the

Occasion of the 2nd Eastern Economic Forum (in Vladivostok) in September, the progress toward materializing the Cooperation Plan was confirmed, and Prime Minister Abe proposed confirming the progress at the forum every year and President Putin welcomed this proposal.

With a view to ensuring outcomes during the visit of President Putin to Japan in November, the two countries established the Japan-Russia High-Level Working Group on the Cooperation Plan, identified priority projects, and in the same month held the 12th Meeting of the Japan-Russia Intergovernmental Committee on Trade and Economic Issues, where they agreed to accelerate the coordination of documents between the authorities of each country. At the Japan-Russia Summit Meeting on the Occasion of the APEC Economic Leaders' Meeting in Peru, the two countries welcomed the fact that agreement had been reached concerning the work plan on the Cooperation Plan. Subsequently, as a result of further coordination between the two countries, during the visit of President Putin to Japan in December, 12 documents between the governments and authorities, and 68 documents related to private companies' projects were signed in a wide range of fields including medical care, the urban environment, energy, industrial diversification, people-to-people exchanges, intellectual property, etc. and in addition the two leaders agreed to enter into formal negotiations on amending the convention for the avoidance of double taxation and announced the relaxation of visa requirements by Japan and Russia. The two leaders agreed to develop Japan-Russia economic relations, including the further materialization of the eight-point



Japan-Russia Youth Forum 2016 (December 2, Hiroshima Prefecture; Photo: Japan Russia Youth Exchange Center)

Cooperation Plan. Japan, while developing Japan-Russia relations overall going forward and intends to steadily promote mutually-beneficial cooperation regarding the economy in a wide range of fields. Furthermore, Japan Centers in six cities in Russia support the business activities of the companies of both countries and interregional economic exchanges and in addition they offer training programs, such as management courses, Japanese language classes, and training in Japan for the people who are expected to play a significant role in Japan- Russia economic relations. A total of some 82,000 Russian people have taken the courses and about 5,100 of them have visited Japan for training.

#### **D Cooperation between Japan and Russia in Various Fields**

In 2016, discussions such as Japan-Russia Strategic Dialogue were held between diplomatic authorities from the two countries in a wide range of areas and views were exchanged on terrorism, disarmament and non-proliferation, consular services, and cyberspace, etc. Practical training for drug enforcement agents from Afghanistan and Central Asia was also implemented by officers from Japan and Russia.

In the area of security, Secretary General Shotaro Yachi of the National Security



Special  
Feature

## Visit to Japan by President Putin

**1. Overview**

From December 15 to December 16 President Putin visited Japan for the first time in 11 years, and visited Yamaguchi Prefecture, the hometown of Prime Minister Abe, and Tokyo. On December 15 he stayed at a hot spring hotel surrounded by the scenic mountains of Nagato City, Yamaguchi Prefecture, and in that calm and quiet atmosphere the two leaders held an in-depth discussion on a wide range of fields of Japan-Russia relations, including the issue of concluding a peace treaty. On December 16 they moved to Tokyo and held a summit meeting at the Prime Minister's Office, which was joined by business people, and held a Joint Press Conference. After that, they attended the Japan-Russia Business Dialogue at the Nippon Keidanren Kaikan and then visited the Kodokan Judo Institute.

**2. Highlights****(1) One on one tete-a-tete meeting**

The two leaders held summit meetings for five hours in Yamaguchi and one hour in Tokyo, for a total of six hours. In particular, the meeting of the two leaders just with their interpreters was carried out for one hour and 35 minutes, the longest tete-a-tete meeting to date, and the two leaders discussed the issue of a peace treaty face-to-face. As a result, the two leaders agreed to commence consultations on a special arrangement for undertaking joint economic activity on the four northern islands, and agreed to improve the procedures for former island residents to visit their family graves, etc. Furthermore, at the meeting Prime Minister Abe handed a letter written in Russian by former island residents to President Putin directly.



The two leaders shaking hands (December 15, Nagato City, Yamaguchi Prefecture; Photo: Cabinet Public Relations Office)

**(2) Joint Press Conference**

At the Joint Press Conference held in the Prime Minister's Office on December 16, Prime Minister Abe stated "even today, after 71 years since the end of World War II, a peace treaty has not been concluded between Japan and Russia. Our generation must put an end to this extremely unnatural state of affairs with our own hands" and President Putin stated "If anyone thinks that we are only interested in building economic relations and



Japan-Russia Joint Press Conference (December 16, Tokyo; Photo: Cabinet Public Relations Office)

we give low priority to a peace treaty, they are wrong. I think the most important thing is the conclusion of a peace treaty.” In this way, the two leaders expressed their own determination to resolve the peace treaty issue in the press conference as well.

### (3) Working Dinner

At night on December 15 when the two leaders were staying in Yamaguchi Prefecture, a Working Dinner was held for approximately two hours. At the Working Dinner, cuisine featuring copious amounts of ingredients from the local Yamaguchi Prefecture and local sake were served, and the meeting was conducted in a genial atmosphere with no ties. Furthermore, Prime Minister Abe gave President Putin the gift of a reproduction of the Japanese painting *Putyatin's Arrival*, which portrays a historical scene of Japan-Russia friendship pertaining to the signing of the Japan-Russia Treaty of Commerce, Navigation and Delimitation in 1855, the starting point of Japan-Russia relations.

### (4) Kodokan Judo Institute

On December 16, as the final event during President Putin's visit to Japan, the two leaders visited the Kodokan. President Putin is known as a judoka who has the ranks of Kodokan sixth dan and International Judo Federation eighth dan, and he says that one of the people he respects is Mr. Kano Jigoro, the founder of the Kodokan. At the Kodokan President Putin enjoyed demonstrations of old-style judo while listening to an explanation from Mr. Yasuhiro Yamashita, a gold medalist in judo at the Los Angeles Olympics in the open category.



The two leaders visiting the Kodokan (December 16, Tokyo; Photo: Cabinet Public Relations Office)

Secretariat met with Secretary Patrushev of the Security Council of Russia in November. Regarding defense exchanges, the two countries endeavored to encourage mutual understanding and prevent chance accidents by continuously implementing a range of consultations at the working level and a Japan-Russia joint search and rescue exercise. Moreover, guardships in the Border Service of the Federal Security Service of the Russian Federation came to Japan and held a joint exercise with the Japan Coast Guard.

As for human and cultural exchange, in the framework of the Japan-Russia Youth Exchange Program, youth exchanges with a variety of themes, in particular, the Japan-Russia Youth Forum and projects introducing Japanese culture in regions throughout Russia were actively implemented. Furthermore, on the occasion of the visit of President Putin to Japan in December, the two leaders agreed to hold the “Japan Year in Russia” and the “Russia Year in Japan” in 2018 and greatly expand youth exchanges as one of the measures

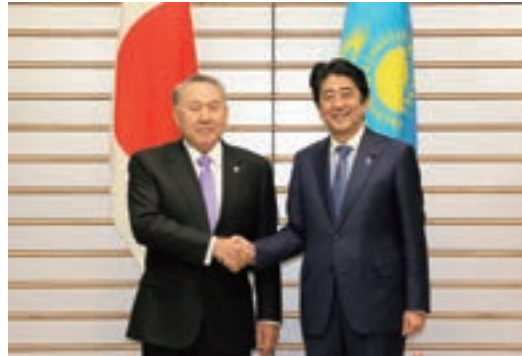
to expand people-to-people exchanges between Japan and Russia.

## 2 Central Asian and Caucasian Countries

### (1) Central Asian Countries

Japan is supporting the “open, stable and autonomous development” of Central Asia, which is geopolitically important and is promoting the development support diplomacy with the objective of contributing to the peace and stability of the region. The three pillars of Japan’s diplomacy in Central Asia are as follows; (1) fundamental strengthening of bilateral relationships; (2) encouragement of regional cooperation and contribution to the common issues of the region through the “Central Asia plus Japan” Dialogue, and; (3) cooperation in the global arena.

In relations with the Central Asian countries, as the follow-up to the visit of Prime Minister Abe to five Central Asian countries in 2015, vigorous exchanges including VIP visits, etc. were carried out in 2016 as well. From Japan, Parliamentary Vice-Minister for Foreign Affairs Miki Yamada visited Kyrgyzstan and Uzbekistan in April. Furthermore, in August the Central Asia Cultural Exchange Mission<sup>3</sup> was dispatched to Uzbekistan and Uzbekistan Japanese Drum Performance<sup>4</sup> hosted by the Japan Foundation was given, and the Spouse of the Prime Minister, Akie Abe,



Prime Minister Abe and President Nazarbayev of Kazakhstan shaking hands (November 7, Tokyo; Photo: Cabinet Public Relations Office)



The “Central Asia plus Japan” Dialogue mascot (designed by manga artist Kaoru Mori for use in cultural events on the occasion of the Tokyo Dialogue)

visited Uzbekistan as a special advisor to the performance group. Moreover, from August to September, Parliamentary Vice-Minister for Foreign Affairs Motome Takisawa visited Kazakhstan and Turkmenistan, and in response to the death of Uzbek President Karimov on September 2, he visited Uzbekistan and

<sup>3</sup> In response to the visits by Prime Minister Abe to a number of Central Asian countries in October 2015, the Japan Foundation positioned Central Asia as one of its “priority regions” and is intensively planning and implementing cultural exchange projects in a wide range of areas in this region. As a part of this, it dispatched the Japan Foundation Central Asia Cultural Exchange Mission, a cultural exchange delegation comprised of experts and knowledgeable persons in a variety of fields and led by Nobuhiko Shima, the Chairman of the Japan-Uzbekistan Association, to five Central Asian countries where it inspected cultural and community projects in Central Asia and held exchanges of views and information with knowledgeable persons, etc., and going forward it plans to consider what kinds of exchange programs should be advanced in order to further deepen and develop Japan-Central Asia relations. The first country that the mission visited was Uzbekistan, from August 2 to August 5.

<sup>4</sup> Sponsored by the Japan Foundation, the Japanese drum performance group DRUM TAO gave their first performance in Central Asia at the Alisher Navoi Opera and Ballet Theatre in Tashkent. The Alisher Navoi Opera and Ballet Theatre is an opera house completed in 1947 and Japanese detainees were involved in its construction in the former Soviet era.

attended the farewell ceremony. From the Central Asian countries, President Nazarbayev of Kazakhstan visited Japan in November, held a summit meeting with Prime Minister Abe, and gave a speech to the Diet, which was the first from the leader of a former Soviet country, and confirmed the strengthening of bilateral relations and cooperative relations in the international arena. In addition, Jalil Sultanov, Director of the Memorial Exposition Museum of the Japanese Citizens' Sojourn in Uzbekistan in the 1940s, visited Japan in January, Deputy Chairman of the Mazhilis of Parliament of Kazakhstan Issimbayeva and Chairperson of the Parliament of Turkmenistan Nurberdiyeva in April, and Minister of Employment and Labour Relations Aziz Abdukhakimov of Uzbekistan and Ganiev, Minister of Foreign Economic Relations, Investments and Trade of Uzbekistan in May.

Furthermore, in January permanent ambassadors extraordinary and plenipotentiary were dispatched to the Embassies in Tajikistan and Turkmenistan.

Regarding Uzbekistan, as a result of the death of the first president, Karimov, a presidential election was held in December and former prime minister Mirziyoyev became the new president.

In the framework of the "Central Asia plus Japan" Dialogue, the 11th Senior Officials' Meeting was held in Tokyo in March, and the participants followed up on the previous (July 2014) Foreign Ministers' Meeting and held an exchange of views about a variety of topics, in particular, the promotion of practical cooperation in the fields of transportation, logistics, etc., toward the next Foreign Ministers' Meeting. Furthermore, in September the 9th Tokyo

Dialogue (Intellectual Dialogue) was held on the theme of "Undiscovered Central Asia: Its Charm and its Bonds with Japan" and in order to raise the profile of Central Asia in Japan, in addition to the previous public symposiums, film festivals, music festivals, and embassy open events were held and a total of nearly 1,200 people participated in them.

## (2) Caucasian countries

The relations with Caucasian countries were further strengthened through high-level mutual visits as well.

From Georgia, which shares values of liberty and democracy with Japan and seeks integration with Europe, Chairperson of the Parliament of Georgia Usupashvili visited Japan in February, Minister of Education and Science Sanikidze in May, Minister of Finance Khaduri in July, and Minister of Energy Elovshvili in November. Furthermore, parliamentary elections were held in Georgia in October and the ruling party Georgian Dream-Democratic Georgia won more than three-quarters of the seats.

With abundant natural resources, Azerbaijan leads the economy of the Caucasus area. A group led by the Director-General of the International Bureau of the Liberal Democratic Party Tanaka (May) and the Parliamentary Vice-Minister for Foreign Affairs Takisawa (August) visited the country, and from Azerbaijan, a delegation of the New Azerbaijan Party (February), presidential aide Hasanov (March), and Minister of Youth and Sport Rahimov (October) visited Japan. Furthermore, in April, Deputy Prime Minister Sharifov was conferred the Grand Cordon of the Order of the Rising Sun in recognition of his contribution to strengthening

bilateral relations and promoting mutual understanding between the two countries.

Armenia enjoys rich human resources, particularly in the IT field. In August, a delegation headed by the President of the Japan-Armenia Parliamentary Friendship League Eto visited the country for the first time and held a meeting with President Sargsyan and other officials on the Armenian side.

Meanwhile, Caucasian countries are burdened with disputes over territories including South Ossetia and Abkhazia<sup>5</sup> in Georgia, and the Nagorno-Karabakh Conflict<sup>6</sup> between Armenia and Azerbaijan, which still cause tensions among the countries involved. Although efforts toward resolution have been made, no specific progress has been seen (as of February 2017).

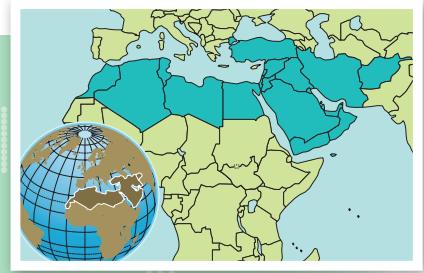
---

<sup>5</sup> In August 2008, an armed conflict took place between Georgia and South Ossetia; the latter was aiming for separation and independence from the former. Russia intervened in the dispute which led to a military conflict between Georgia and Russia. About one week after the conflict occurred, France, which was then EU president, and other states acted as mediators and realized a cease-fire. Based on the agreement reached at that time, international conferences have been held in Geneva to discuss security and humanitarian issues among parties concerned.

<sup>6</sup> This is a dispute between Armenia and Azerbaijan regarding Nagorno-Karabakh. Most of the residents living in the disputed Nagorno-Karabakh area are Armenian and during the Soviet era they made increasingly strong demands to change their affiliation from Azerbaijan to Armenia and this led to a dispute between the two countries following the dissolution of the Soviet Union in 1991. Armenia had occupied almost the entire region of Nagorno-Karabakh and the surrounding seven areas by 1993. In 1994, the two countries agreed to a cease-fire through the intermediation of Russia and the OSCE; however, conflict with casualties has been repeated until now. In April 2016, the largest military clashes since the cease-fire in 1994 occurred and a few days later both parties agreed to a cease-fire. Since 1999, an intermediation of the OSCE Minsk group has allowed direct talks between Armenia and Azerbaijan at various levels, including their leaders and foreign ministers, but there is still no prospect of a resolution (as of February 2017).

## Section 6

## The Middle East and North Africa



## Overview

The Middle East and North Africa region is situated in a geopolitically important location as the intersection of Europe, Sub-Saharan Africa, Central Asia, and South Asia. This region contains major international maritime routes 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 expansion of violent extremists including Islamic State of Iraq and the Levant (ISIL), the mass refugees that are flowing into nearby regions, the worsening situation in Syria and Iraq, the tensions between Iran and Saudi Arabia, the issue of Middle East Peace, and the conditions in Afghanistan, Yemen, and Libya. Achieving peace and stability in this region is greatly important for the international community as a whole, including Japan. The global community is working on solutions to these issues. Japan has been working with the global community to be effective in areas such as humanitarian aid, stabilization assistance,

and mid-and long-term development support while playing a constructive role in relation to each country in the region to achieve regional stability.

Japan relies on the Middle East for more than 80% of its crude oil imports and has developed ties with the Middle East and North Africa region countries (hereafter referred to as the “Middle East countries”) that have previously been centered on resources and energy. This is no longer the extent of such relations as Japan builds a more multi-layered relationship including resources and energy, as well as wide-ranging economic cooperation, politics and security, and culture and people-to-people exchanges. Since the inauguration of the second administration in December 2012, Prime Minister Abe visited this region six times, and there have been a number of high-level visits, meetings, and talks. The Government of Japan has made efforts to strengthen ties with the region under the concept of the “never-failing running mate of Middle East countries<sup>1</sup>.”

The expansion of violent extremism including ISIL has been not only significantly undermining the order in the

<sup>1</sup> Speech by Prime Minister Abe “The Best Way is to Go in the Middle,” January 2015.  
URL: [http://www.mofa.go.jp/me\\_a/me1/eg/page24e\\_000067.html](http://www.mofa.go.jp/me_a/me1/eg/page24e_000067.html)

Middle East and North Africa region but also raising a great concern to the entire global society. On various occasions such as the May 2016 G7 Ise-Shima Summit, Japan has expressed its intention to support the construction of inclusive societies that do not generate violent extremism. With the spirit of “the best way is in the middle,” the Government of Japan has provided humanitarian assistance for the refugees and internally displaced persons, the improvement of economic infrastructure, and the development of human resources. At the same time, Japan has resolutely criticized the despicable acts of terrorism caused by ISIL and other organizations and expressed support for the fight against terrorism in the international community.

The protracted crisis in Syria and the expansion of ISIL in Syria and Iraq have caused a massive number of internally displaced persons and an influx of refugees from both countries to neighboring countries and the European region.

Regarding the situation in Syria, Japan has repeatedly expressed at international conferences since 2015 that its contribution centers mainly on humanitarian assistance and political dialogue. In 2016, Japan also provided many assistance programs, including yen loans to Turkey and Jordan, which have been affected by the influx of refugees from Syria. The assistance that Japan has provided to Syria, Iraq and their neighboring countries exceeds 1.66 billion US dollars up until the end of 2016.

In relation to the Middle East Peace Process, Japan urged the resumption of peace talks on many occasions, including summit meetings held during Prime Minister Abe’s visit to Israel and Palestine in January 2015 and at a summit meeting

in Japan with President of Palestine Abbas in February 2016. Furthermore, Japan has made steady progress on its unique efforts to support Palestine, including the “Corridor for Peace and Prosperity” initiative and the Conference on the Cooperation among East Asian countries for Palestinian Development (CEAPAD).

January marked the “implementation day” of the final agreement on the Iranian nuclear issue, and the U.S. and the EU partially suspended or terminated sanctions against Iran. Following the final agreement, Japan will make efforts to further strengthen relations with Iran through such means as cooperation to encourage the steady implementation of the final agreement by Iran and the conclusion of the bilateral investment agreement.

In recent years, the Middle East countries have achieved steady economic development due to their rapidly growing youth population, and have been increasing their presence as a consumer market and an investment destination. Therefore, Japan has been working on establishing legal frameworks such as Economic Partnership Agreements (EPA), Free Trade Agreements (FTA), investment agreements, tax agreements, and social security agreements, which are foundations for strengthening the economic and business relationships with the Middle East countries. Additionally, Japan has been promoting infrastructure projects in the region. When Prime Minister Abe visited the Middle East region, he was accompanied by an economic delegation comprised of companies from various industries and business categories, from large to medium and small enterprises. This delegation actively pitched Japan’s strengths to the leaders and the business

communities of each country.

## 1 Iraq

In 2016, the Iraqi Security Forces made remarkable progress on liberating areas controlled by “The Islamic State of Iraq and the Levant (ISIL).” The operation has been in progress since the second half of 2016 as indicated by the liberation of major cities in northern Iraq such as Ramadi (February), Heet (April), Rutba (May), and Fallujah (June). On 17 October, Prime Minister Abadi of Iraq declared starting operations to liberate Mosul, ISIL’s largest stronghold, and the Iraqi Security Forces have been continuing its mop-up operations.

Although the government maintains its centripetal force with military headway against ISIL, political conflicts and tensions are continuing such as Prime Minister Abadi’s incomplete cabinet restructure and the resignation of cabinet ministers due to corruption. In addition, there is still no notable progress on national reconciliation, which is one of the major issues in Iraq.

Due to the ongoing fight against terrorism in Iraq, more than three million internally displaced persons have emerged, and the need for humanitarian assistance remains extremely high. Against this backdrop, Japan decided to offer 100 million US dollars for humanitarian and stabilization assistance to Iraq in January which included the provision of food, water, and other daily necessities to refugees as well as repairing houses, and providing vocational training with the aim of assisting the return of refugees to their home and settlement.

On 20 July, State Minister for Foreign Affairs Yoichi Muto attended the Pledging

### The complete map of Iraq



State Minister for Foreign Affairs Muto, attending the Pledging Conference in Support of Iraq (July 21, Washington DC, U.S.).

Conference in Support of Iraq in Washington DC, which was hosted by the US Secretary of State Kerry with the aim of addressing the serious humanitarian crisis in Iraq, and co-chaired it with counterparts from the U.S. and Germany. Japan announced an additional 10 million US dollars of humanitarian and stabilization assistance while expressing its intention to maintain humanitarian and stabilization assistance worth approximately 100 million US dollars in 2017 and 2018 with the aim of addressing the worsening humanitarian situation in Iraq.

Currently, Iraq is confronting a serious



financial situation due to factors such as the falling oil prices and the accumulating cost of war. Against this backdrop, 3.6 billion US dollars for humanitarian and stabilization assistance was collected from the G7 countries as a whole at the G7 Ise-Shima Summit which Japan held the presidency. This was to avoid destabilization of Iraq, which is at the forefront in the fight against terrorism, due to the financial crisis.

Regarding high-level visits, Iraqi Oil Minister Abdul-Mahdi visited Japan in February and had an active exchange of views with Minister of Economy, Trade and Industry Motoo Hayashi, State Minister for Foreign Affairs Muto, and Japanese business representatives with the aim of strengthening bilateral relations, particularly the economic relations.

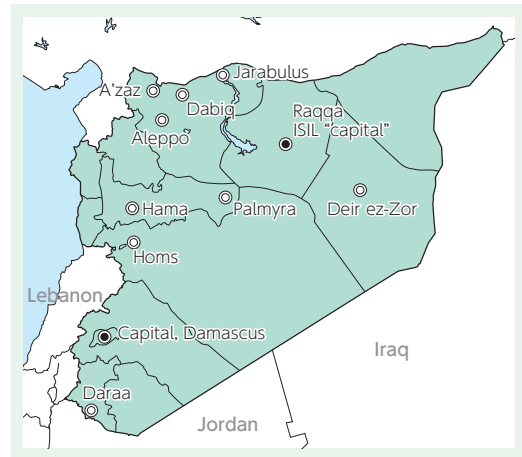
## 2 Syria

### (1) Status in Syria

There was no sign of abatement during 2016 for the Syrian crisis that commenced in 2011. As of the end of 2016, the situation in Syria is considered to be this century's worst humanitarian crisis with more than 250,000 deaths, 4.8 million refugees, and 6.5 million internally-displaced persons. Within Syria, there has been continued violent conflict among four competing parties: the Syrian government, the moderate rebels, extremist forces including the Islamic State of Iraq and the Levant (ISIL), the Nusra Front, and Kurdish forces.

Under this situation, Syrian Government Forces who are receiving support from Russian airstrikes and other measures have intensified their attacks on the northern city of Aleppo, which had been the home of the rebels from the outset of the Syrian crisis.

### The complete map of Syria



They virtually had control of all of Aleppo by December 15. However, the Syrian Government Forces falls far short to regain control of all of Syria, and the instability continues with ISIL reoccupying Palmyra on December 11.

Several cease-fires were attempted during 2016. Cease-fire agreements were reached between the U.S. and Russia in February and September, and combat temporarily subsided, but the agreement was breached and the battle once again intensified. In addition, a cease-fire agreement brokered by Russia and Turkey came into effect on December 30, but it is unpredictable if this cease-fire will be honored by the disputing parties or lead to a subsequent political process.

The fight against ISIL has involved ongoing airstrikes within Syrian territory by the U.S. and others, and progress has been made with the operation to liberate Mosul in Iraq. In addition, from August the Turkish Army together with the Free Syrian Army made inroads into Northern Syria. From November, the Kurdish Yekîneyên Parastina Gel (YPG) or the People's Protection Units, which makes up the core of the Syrian

Democratic Forces, commenced operations towards recapturing Raqqa in Eastern Syria, which ISIL refers to as its capital. ISIL has gradually lost its power and while the area in Syria under ISIL control is gradually shrinking, conditions remain chaotic.

## (2) Political Process and Test for the International Community

Intra-Syrian talks between the Syrian government and rebels commenced in January in an indirect format brokered by the UN. After a temporary suspension in February due to increased fighting, talks were held in March and April but then stalled once again. Discussion between the Syrian government and opposition groups is vital to find a political solution to the Syrian crisis, so there is an ongoing discussion including amongst the international community towards a resumption of the Intra-Syrian talks.

The activities by the International Syria Support Group (ISSG) is one of the initiatives of the international community. A meeting of the ISSG was held in October 2015, as an extension of the Summit of Foreign Ministers from the U.S., Russia, Saudi Arabia, and Turkey to include related countries and institutions, and this framework has continued in 2016. At the meeting of the ISSG in February (Munich), a statement was issued concerning humanitarian access to the conflict area, a nationwide cessation of hostilities in Syria, and the establishment of a humanitarian task force and a cease-fire task force. Furthermore, participation in the ISSG by Japan, Australia, and the Netherlands was approved. Japan participated in the May ISSG meeting (Vienna) for the first time (attended by Japan's Ambassador



Prime Minister Abe, attending the UN Security Council High-Level Briefing on Syria (September 21, New York, U.S.). (Photo: Cabinet Public Relations Office)

in charge of Syrian Affairs), and Foreign Minister Kishida attended the September ISSG meeting (New York).

There was disorder at the United Nations (UN), with the UN Security Council failing to adopt two draft resolutions from Russia and from France and Spain on October 8, but UN Security Council Resolution 2328 on protection of Aleppo civilians was adopted on December 19 and UN Security Council Resolution 2332 concerning humanitarian assistance was adopted on December 21. In addition, a UN General Assembly resolution concerning a cease-fire in Aleppo and humanitarian assistance was adopted on December 9 and a UN General Assembly resolution concerning the investigation and prosecution of those responsible for the most serious crimes in Syria was adopted by majority vote on December 21. Furthermore, UN Security Council Resolution 2336 welcoming the Syrian cease-fire agreement brokered by Russia and Turkey was unanimously adopted on December 31.

## (3) The Japanese Government's Efforts

Japan has consistently maintained a stance that a military solution will not be found in the Syrian crisis and that

a political solution is indispensable. At the same time, Japan also attaches the importance to continue support to stave off further aggravation of the humanitarian situation through ongoing assistance. From this standpoint, following the aggravated situation in Syria, Japan has provided assistance worth more than 1.66 billion US dollars to Syria and neighboring countries by the end of 2016 for humanitarian assistance. Since becoming a UN Security Council non-permanent member in 2016, Japan has actively contributed to the discussion regarding the issue at the UN Security Council, and also led the discussion at the G7 Ise-Shima Summit during Japan's presidency of the G7. Apart from this, Japan has continued to put pressure on the relevant parties in areas such as ensuring humanitarian access and cease-fires. Japan intends to continue its efforts for the improvement and stabilization of the situation surrounding Syria, mainly through humanitarian support which is Japan's strength and in close coordination together with other members of UN Security Council and the international community.

### 3 Iran

Iran is a major Shia-Muslim regional power with land of approximately 4.4 times the size of Japan with a population of about 80 million and is blessed with abundant natural resources. Japan has maintained and strengthened a historically friendly relationship with Iran from the viewpoints of ensuring the stable supply of crude oil and the stability of the Middle East region.

The Rouhani administration, which took office in August 2013, engaged in the negotiations on the Iranian nuclear

issue with the EU3 (UK, France, and Germany) +3 (U.S., China, and Russia), and announced a nuclear agreement, "Joint Comprehensive Plan of Action (JCPOA)," in Vienna in July 2015. In accordance with the nuclear agreement, the U.S. and Europe partially suspended or terminated sanctions against Iran in conjunction with the end of sanction related rules against Iran under past UN Security Council resolutions in January 2016 (the "implementation day" under JCPOA).

The scope of cooperation between Japan and Iran has expanded in various areas since the "implementation day." To strengthen the Japan-Iran economic relations, the Japan-Iran Investment Agreement was signed between Foreign Minister Kishida and Iran's Minister of Economic Affairs and Finance Taiebnia during his visit to Japan in February. A Memorandum of Cooperation with Iran concerning Establishment of a Finance Facility, equivalent to as much as 10 billion US dollars, was also signed. In addition, each working group under the jointly established Japan-Iran Cooperation Council, which agreed to be established with Iran's Foreign Minister Zarif during Foreign Minister Kishida's visit to Iran in October 2015, has been working actively and progress in cooperation in environment, transport and nuclear safety areas such as Japan's contribution to the Lake Urmia Restoration Project, a high-level meeting between transportation authorities (Acting Minister of Roads and Urban Development Kashan visited Japan in July 2016) and negotiations for the implementation of the Nuclear Safety Training Course.

Steadily implementing the nuclear agreement is vital for strengthening the system of global non-proliferation and

stabilizing the Middle East, so Japan continues to provide assistance. In order to resolve various issues in the region, Japan has been repeatedly urging Iran to promote confidence-building with the international community and regional countries and to play a constructive role in stabilizing the region. Also, Japan has been reinforcing the traditional relationship even further with Iran through the framework of multi-layered bilateral dialogue including high-level political exchanges. A summit meeting was also held on the occasion of the UN General Assembly for the first time since ‘implementation day’ in September (the 5th such summit since the inauguration of the Rouhani Administration). Prime Minister Abe said that he appreciated Iran’s compliance with the nuclear agreement and had high hopes for continued implementation. In addition, in December while on an economic mission, Iran’s Foreign Minister Zarif visited Japan for the first time in two years. He paid his respects to Prime Minister Abe as well as holding the 6th Japan-Iran Foreign Ministerial Meeting with Foreign Minister Kishida. Foreign Minister Kishida conveyed that Japan had decided to provide through the IAEA, 550,000 euros for collaboration in the area of nuclear safety and 1.5 million euros for the area of safeguard measures as Japan’s support for ongoing compliance with the nuclear agreement. He also urged Iran to take a more constructive role in resolving the various issues in the Middle East.

Apart from this, there were active high-level visits with a view to further strengthening the bilateral relationship including visits to Iran by Special Advisor to the Prime Minister, Katsuyuki Kawai, in February and State Minister for Foreign

Affairs, Kentaro Sonoura, in September, while Iran’s Energy Minister Hamid Chitchian visited Japan in October.

#### 4 Afghanistan

At the end of September, the National Unity Government (NUG), which was inaugurated after agreeing to a power-sharing arrangement between President Ashraf Ghani and Chief Executive Abdullah Abdullah, marked two years in office, but the NUG continues to face significant challenges. There have been repeated terrorist attacks across the country by the Taliban and ISIL-Khorasan Province, and there have been many victims amongst the Afghan National Defense and Security Forces (ANDSF) and the foreign troops providing support to ANDSF, while civilian victims are also on the rise. In terms of the essential reconciliation with anti-government forces needed to achieve long-term stability in the country, a peace pact was signed with the Hezb-e Islami Gulbuddin in September, but there have been no achievements towards a reconciliation with the larger force of the Taliban. In addition, the deterioration in relations between the president and the chief executive, and the dismissal of seven cabinet ministers for corruption, also show signs of turmoil in internal affairs.

The self-reliance of and stability in Afghanistan are crucially important for the stability of the international community and the prosperity of the region. Throughout 2016, the international community indicated strong intent to continuously support the endeavors of the NUG. At the NATO Warsaw Summit in July, a commitment to continue assistance

in the security field was announced. At the “Brussels Conference on Afghanistan” in October, the participants confirmed total pledges of about 15.2 billion US dollars for development assistance until 2020. State Minister for Foreign Affairs Sonoura, who was attending the conference, announced that effort would be made to continue assistance worth up to 40 billion yen a year in aid to maintain the current level of Japan’s assistance while calling on Afghanistan to advance various reforms in areas such as corruption, depravity, and electoral reform.

## 5 Middle East Peace Process

### (1) Developments in Middle East Peace Process

The U.S. mediation led to direct negotiations between Israel and Palestine from July 2013 to April 2014. However, they faltered in the face of a wide gap in the positions of the two sides, and there have been no signs of resumption since then.

The security situation has been worsening in Israel and at the West Bank since around mid-2015 with frequent collisions between Israelis and Palestinians. While the situation appeared to subside from the beginning of 2016, the mutual distrust is strong and there is no sense of moving towards peace. In addition, Israel continues its settlement policy and the humanitarian situation in the Gaza Strip has been deteriorating as well.

The international community has continued to urge both Israel and Palestine to resume the negotiations at an early date to improve such situation. In particular, France called for an international conference in an attempt to break through

the status quo. To discuss all sorts of means to resume negotiations and reaffirm the two-state solution, a ministerial-level meeting was held in June for major countries other than Israel and Palestine and attended by Japanese Special Envoy for the Middle East Peace.

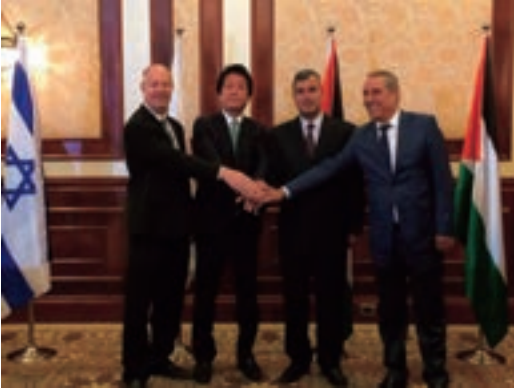
On December 23, the UN Security Council adopted UN Security Council Resolution 2334 demanding that Israel immediately and completely cease all settlement activities, with 14 countries, including Japan, voting for the resolution and the one country (the U.S.) abstaining.

This was followed by a speech that included a plan for the basis of future peace negotiations given by U.S. Secretary of State Kerry on December 28. In addition, France convened a Conference for Middle East Peace in Paris on January 15, 2017, attended by Japan’s State Minister for Foreign Affairs Sonoura.

### (2) The Japanese Government’s Efforts

In cooperation with the international community, Japan has approached Israel and Palestine to achieve a “two-state solution.” Political dialogues were conducted at all levels involving the Prime Minister, Minister of Foreign Affairs, and special envoy of the Government of Japan for the Middle East peace. Japan is also making an effort to contribute to confidence-building between Israel and Palestine by inviting relevant people from both sides to Japan.

In January 2015, Prime Minister Abe met with Prime Minister Netanyahu in Israel and President Abbas in Palestine, directly urging both leaders to advance the process for a solution to the Middle East issue. President Abbas visited Japan in February



State Minister for Foreign Affairs Sonoura, attending the 5th Ministerial Meeting of the Four-Party Consultative Unit for the "Corridor for Peace and Prosperity" (September 7, 2016, Jericho, Palestine).

2016, and the Japan side encouraged him to take a flexible approach and resume the negotiations at an early date.

Japan's support for Palestine since 1993 amounts to 1.7 billion US dollars, covering humanitarian support, job creation, healthcare, agriculture, and a variety of fields. The "Corridor for Peace and Prosperity" initiative is Japan's unique effort to address Palestine's economic self-sustainability specifically in cooperation with Israel, Palestine, and Jordan. Palestinian private-sector companies have started operations at the currently being developed Jericho Agro-Industrial Park, a flagship project of this initiative, and it is expected that more companies will participate and create new employment opportunities. A ministerial meeting of the four parties in this initiative (Japan, Israel, Palestine, and Jordan) was convened in September, chaired by State Minister for Foreign Affairs Sonoura. Participants agreed that they would cooperate to develop the initiative.

The Government of Japan engages in tripartite cooperation with Asian nations under the framework of the "Cooperation among East Asian Countries for Palestinian

Development (CEAPAD)" aiming to mobilize Asian countries for practical assistance to Palestine.

## 6 Countries in the Middle East and North Africa

### (1) Turkey

Turkey is a geopolitically important large country in the region located at the crossroads to Europe, the Middle East, Central Asia, and Caucasia. As a member state of NATO, the government of Turkey basically attaches importance to Europe and U.S. in its diplomacy, including efforts to join EU, while proactively promoting multiple diplomacies with states covering Asia and Africa. Turkey is historically a pro-Japanese country typified by episodes such as the visit of Ottoman Empire's Ertugrul Frigate to Japan and the subsequent disaster in 1890 and Turkey's 1985 rescue of Japanese nationals living in Tehran.

The coup d'état attempted by factions within the Turkish army on July 15 ended in failure on July 16, and the Turkish government declared a state of emergency claiming that Fethullah Gulen, the leader of an Islamist movement in Turkey who is currently living in exile in the U.S., was behind the incident. Dismissals and monitoring of persons in the army, security authorities and public servants, who are mainly said to have connections to Gulen continue.

On the diplomatic front, the relations between Turkey and Syria have deteriorated under the Assad Administration and its ongoing civil war, and Turkey is faced with being the world's largest recipient of refugees totaling about three million. The tensions with Western countries and



Japan-Turkey Summit Meeting (September 21, New York, U.S., Photo: Cabinet Public Relations Office)

neighboring countries are growing with the fight against ISIL and response to the refugee issue. However, an agreement was reached in June to normalize relations with Israel, which had deteriorated with Israel following the conflict between the Israel army and a flotilla of ships transporting aid to the Gaza Strip in May 2010. Furthermore, there has been progress in strategic diplomacy since June such as an initiative to normalize relations with Russia, which had deteriorated following the downing of a Russian fighter jet in November 2015.

In respect to the relationship with Japan, Prime Minister Abe met with President Erdogan in New York in September and held their sixth summit, confirming the high trust between the two leaders and stronger bilateral relations.

## (2) Jordan and Lebanon

The situation in Jordan remains comparatively stable in the constantly turbulent Middle East region. Jordan has played an important role in the peace and stability of the region, such as with countermeasures against extremists, its acceptance of a number of Syrian refugees, and active involvement in the Middle East peace process. The country's role is highly appreciated by the international



Japan-Jordan Summit Meeting (October 27, Tokyo). (Photo: Cabinet Public Relations Office)

community.

Apart from a leaders' meeting at the April Nuclear Security Summit, there have been frequent coming and goings of the Prime Minister and ministers in 2016, such as the King Abdullah II's visit to Japan in October, and the traditionally friendly bilateral relations have deepened even further. At each meeting, the leaders shared the view of cooperating for further development of the bilateral relations in a wide range of areas and stabilization of the Middle East region.

Japan also attaches importance to Jordan, which serves as a cornerstone for the stability of the region. The Government of Japan has been providing assistance for the stability of Jordan through support for refugees and host communities, as well as for developing the industrial base. In 2016, Japan provided support such as a "Financial Sector, Business Environment and Public Service Reform Development Policy Loan" (30 billion yen), as well as grant aid (one billion yen).

Lebanon is a mosaic nation consisting of 18 religions and religious sects, including Christianity and Islam. Due to the confrontation between each sect and political force surrounding a successor to President Suleiman, who stepped down

in May 2014, the position of President had remained vacant for about two and a half years, but former leader of the Free Patriotic Movement Aoun was finally elected President in October 2016. Consequently, the Hariri Cabinet was formed in December, with initiatives being promoted to stabilize domestic affairs. The future focus of domestic affairs is the parliamentary elections scheduled for May 2017, which have been previously postponed twice.

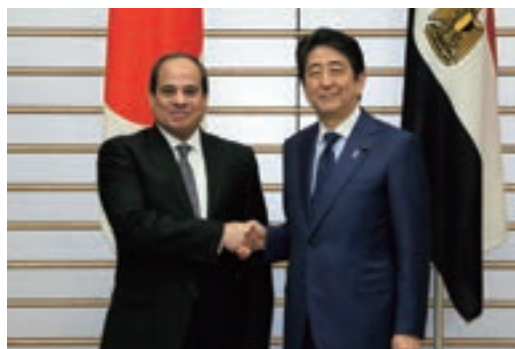
Lebanon is facing serious problems such as the deteriorating situation in Syria and the expansion of ISIL. Stability in Lebanon is the key to the stability and prosperity of the Middle East. Japan has provided Lebanon with humanitarian aid totaling more than 120 million US dollars for assistance to Syrian refugees and the host communities.

### (3) Egypt

Located at the north-eastern edge of the African continent and facing Europe on the other side of the Mediterranean, Egypt is a major country which plays an important role in the stability of the Middle East and North Africa.

Egypt swore in a new parliament (House of Representatives) in January 2016, completing the “roadmap” which had been developed after the political turmoil in 2013. The El-Sisi Administration is taking initiatives in security policies and economic reforms on the Sinai Peninsula etc., for Egypt’s long-term stability and development, while being a non-permanent member of the UN Security Council for two years from 2016.

Japan-Egypt relations are fairly good and high-level exchanges are also active. President El-Sisi visited Japan in February



Japan-Egypt Summit Meeting (February 29, Tokyo Photo: Cabinet Public Relations Office)

and during this visit, three documents (in the areas of education, energy, and health) which include the Japan-Egypt Joint Statement and the Egypt-Japan Education Partnership (EJEP) were released. Parliamentary Vice-Minister for Foreign Affairs Takisawa visited Egypt in August, followed by State Minister for Foreign Affairs Sonoura in September. Furthermore, the two leaders of Japan and Egypt held a meeting at the G20 Summit in Hangzhou (China) in September.

### (4) Libya, Tunisia, Algeria, and Morocco

The Maghreb is at the crossroads to Europe, Africa, and the Middle East, and has shared history, culture, and language in common. Recently it has attracted attention because of a potential as a region. On the other hand, many people move from the region across Iraq and Syria as foreign fighters, and there is also the trend in Libya, so the stability of the security situation is an important issue.

Libya has fallen into a situation of serious conflict among several groups rooted in tribes and has experienced security deterioration. A national unity government of three factions exists based on the political agreement that was brokered by the UN, as well as the west (Tripoli) and east (Tobruk)



factions. The national unity government entered the capital in March, but it has still not been recognized by the parliament established by the east faction. The militia which supports the government took control of major ISIL bases in December, but other extremist organizations are very active and the security situation remains unstable. It is expected that the national unity government will achieve legal legitimacy with government recognition of the parliament to achieve stability of the country and the neighboring region.

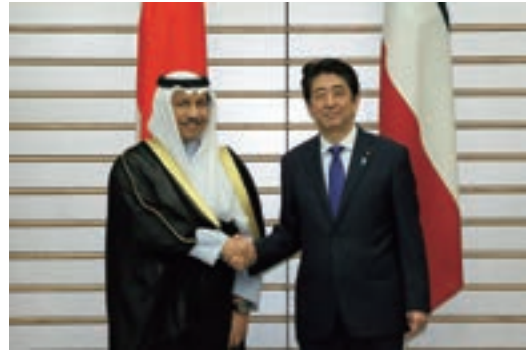
Tunisia, which has achieved a transition to democracy, is facing the issues of economic reform such as eliminating the economic disparity between regions. The security situation has been calm since the attack on security forces in the region near the Libyan border in March, but the Libyan situation also has an influence and ensuring security remains an important issue.

Algeria and Morocco continue to have stable governments. The two countries make efforts to contribute to peace and stability in the region by mediating the domestic confrontations in Libya and Mali. In addition, Morocco was approved to rejoin the African Union in January. Close attention is being paid to future trends such as the unification of Maghreb.

#### (5) Gulf Countries (including Yemen)

##### **A** Six Gulf countries (the United Arab Emirates (UAE), Oman, Qatar, Kuwait, Saudi Arabia, and Bahrain)

The Gulf countries as stabilizing forces of the region are important partners for Japan in areas such as energy security. There were frequent high-level visits including the visit of the Prime Minister of Kuwait, H.H. Sheikh Jaber Al-Mubarak Al-Hamad



Prime Minister Abe and Prime Minister of Kuwait, H.H. Sheikh Jaber Al-Mubarak Al-Hamad Al-Sabah, shake hands at the Japan-Kuwait Summit Meeting (May 12, Tokyo, Photo: Cabinet Public Relations Office)



Prime Minister Abe meets with Deputy Crown Prince of Saudi Arabia, H.R.H Prince Mohammad bin Salman (September 1, Tokyo, Photo: Cabinet Public Relations Office)

Al-Sabah in May and Deputy Crown Prince of Saudi Arabia, H.R.H Prince Mohammad bin Salman in September.

Amid considerable challenges in the Middle East region, Saudi Arabia and several Arab states cut diplomatic ties with Iran in 2016, and Yemen peace talks stalled with the increasing number of civilian casualties.

The Gulf states need to review their fiscal policy following a decline in their annual revenue due to low oil prices since summer 2014. They consider social and economic infrastructure development, industrial diversification, and human resource development as important issues with a view to the long-term goal of breaking dependence on oil and developing the private sector. In April 2016, “Saudi Vision 2030” was announced with a basic strategy to move away from its dependency on oil and

to achieve its comprehensive development. Japan engages in improving the mutual business and investment environment by concluding various agreements with the Gulf states while continuing to strengthen the “Comprehensive Partnerships” in a wide range of fields beyond energy.

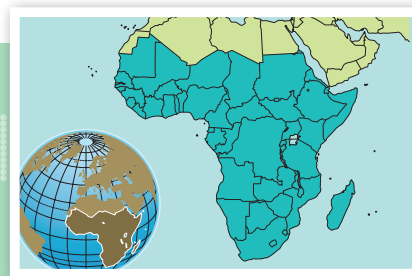
### **B** Yemen

Fighting between the government forces supported by the Arab coalition forces led by Saudi Arabia and the anti-government forces such as Houthi insurgents has continued in Yemen since 2015. Following a cease-fire in April 2016, peace talks resumed in Kuwait, but ended without reaching any agreement. The fighting has subsequently intensified. Currently, the UN and relevant parties such as the U.S., the UK, and Gulf Cooperation Council (GCC) countries continue mediation efforts for peace.

The humanitarian situation is extremely serious due to the protracted conflict and aggravated combat. Consequently, the Government of Japan has provided assistance to overcome the humanitarian crisis in Yemen through efforts such as announcing new food assistance at the Meeting on the Humanitarian Situation in Yemen at the UN General Assembly in September, which is highly appreciated by the government of Yemen and the international community.

## Section 7

## Sub-Saharan Africa



## Overview

Sub-Saharan Africa encompasses a population of about 1 billion in 49 countries with diversity, and attracts the interest of the international community, owing to its rich natural resources and high market potential. This is one of the reasons why the influence of Sub-Saharan African countries on consensus-building in the international community is growing.

On the other hand, long-standing challenges remain to be solved in Sub-Saharan Africa, such as political unrest, severe disparities and poverty, while other challenges have emerged in recent years, such as the vulnerability of the health systems and the rise of violent extremism. Furthermore, their economic growth has slowed down compared to the previous years, due to the deceleration of emerging economies and the decline of global commodity prices. Since these issues have influence beyond national borders, it is vital that Sub-Saharan African countries overcome these difficulties and achieve stable growth, in order to promote peace and stability not only of Africa but also of the entire international community including Japan.

The Japan-led Sixth Tokyo International

Conference on African Development (TICAD VI) was held in Nairobi, Kenya in August 2016. African countries and the international community together worked on the issues with the following: (1) promoting economic diversification and industrialization, (2) promoting resilient health systems, and (3) promoting social stability. Prime Minister Abe announced Japan's initiatives at TICAD VI taking into account these priority areas, and he proposed a "Free and Open Indo-Pacific Strategy" (see feature column "Free and Open Indo-Pacific Strategy"), which aims at promoting stability and prosperity for the whole region by improving the connectivity between Asia and Africa through a free and open Indo-Pacific. Prime Minister Abe also announced Japan's basic policy towards Africa to provide support for nation-building in the area of development as well as politics and governance, in a way that respects the ownership of African countries, without forcing on or intervening in them.

Japan has implemented initiatives to strengthen relations with Africa in various fields based on the initiatives announced at TICAD. In the field of peace and stability, Japan continued to provide assistance including capacity building through the

deployment of personnel for peacekeeping operations (PKO) in South Sudan, support for PKO training centers in African countries and support for training courses for PKO personnel hosted by the UN.

In order to promote initiatives by the public and private sectors in a unified manner on economic issues towards TICAD VI, TICAD VI Public-Private Roundtable Meetings were held four times during the period between October 2015 and July 2016. In addition, the Public and Private Sector Joint Mission for Promoting Trade and Investment in Africa, headed by State Minister for Foreign Affairs Kihara was dispatched to Côte d'Ivoire in March 2016. Furthermore, at the Ministerial Meeting on Economic Strategy for Africa established under the Deputy Chief Cabinet Secretary, the government investigated specific policies such as the start of comprehensively integrated development in three major regions of the West African "Growth Ring," "the East African Northern Corridor" and the "Nacala Corridor."

Continued efforts were made to strengthen cooperation with the African Union (AU) and the Regional Economic Communities (RECs). Furthermore, collaboration in relation to policies towards Africa with countries such as the U.S., the UK, France and India were strengthened, through TICAD VI as well as the bilateral policy dialogues on Africa.

## 1 Holding the Sixth Tokyo International Conference on African Development (TICAD VI)

### (1) TICAD VI as the core of Japan's diplomacy towards Africa

TICAD is an international forum for African development, co-organized by

the UN, UNDP, the World Bank and the African Union Commission (AUC) under the leadership of Japan. TICAD was launched in 1993, under the basic philosophy of "ownership (self-help efforts)" of Africa and "partnership" with the international community including Japan.

While TICAD Summit Meetings were held in Japan once every five years in the past, responding to the recent request from the African side, TICAD Summit Meetings will be held once every three years starting from the sixth summit and be held alternately in Africa and Japan. Therefore, the 6th Tokyo International Conference on African Development (TICAD VI) was held in Nairobi, Kenya, from August 27 to 28, 2016.

### (2) First TICAD Summit Meeting held in Africa in the history of TICAD

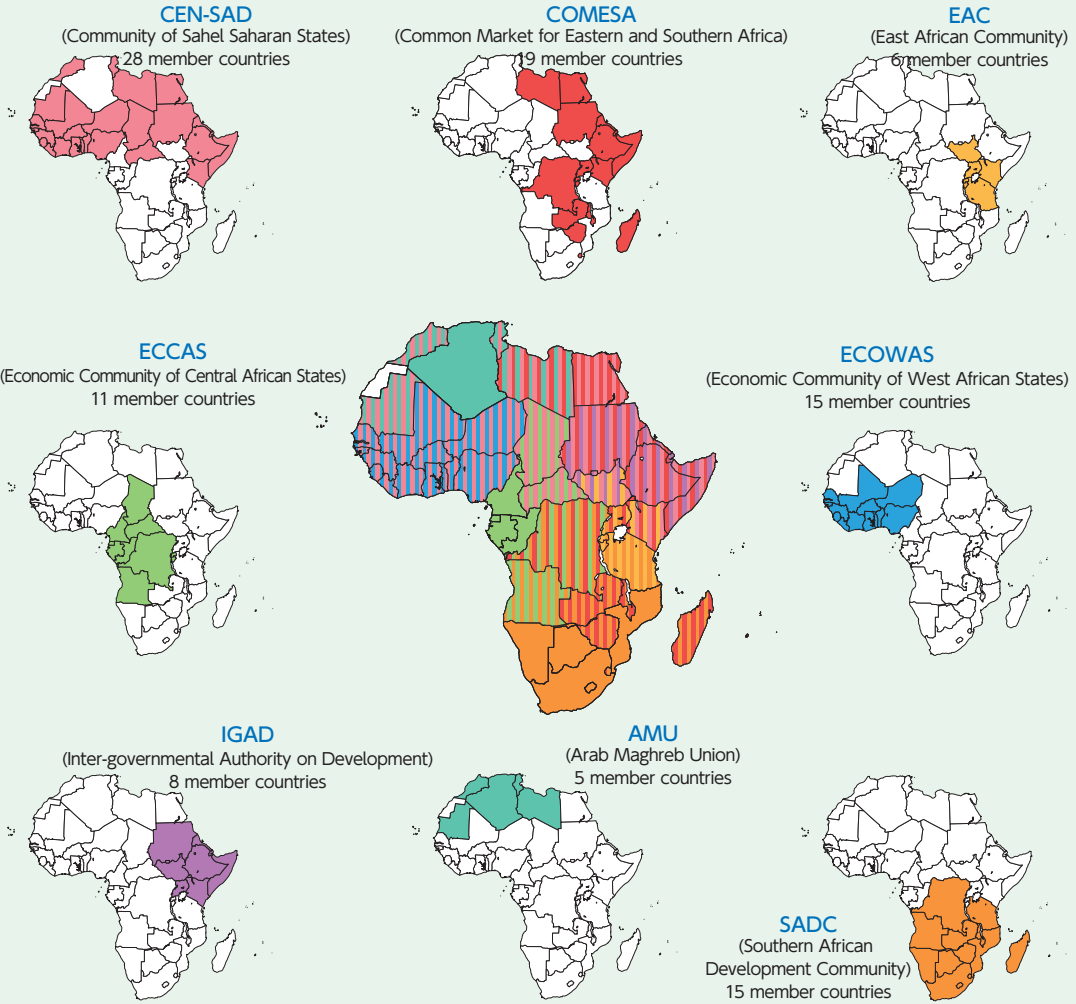
The Senior Officials' Meeting (SOM) of the TICAD VI was held in Djibouti in March 2016, and the Preparatory Ministerial Meeting of the TICAD VI was held in Banjul (Gambia) in June 2016. Parliamentary Vice-Minister for Foreign Affairs Mr. Hamachi represented the Government of Japan at the Ministerial Meeting, and discussed on the draft of the outcome document in preparations of TICAD VI.

With regard to TICAD VI which was held in August 2016, over 11,000 people attended the meeting including the side events, and it resulted in the largest conference to date in the history of TICAD. From Japan, Prime Minister Abe attended as the head of delegation and served as the co-chair along with Mr. Uhuru Kenyatta, President of Kenya (the host country), and Mr. Idriss Deby Itno, President of the Republic of Chad (the chairperson of AU).

At TICAD VI, Prime Minister Abe

Regional Economic Communities (RECs)

Africa is moving toward regional integration. There are eight Regional Economic Communities approved by the African Union (AU)



TICAD VI Group Photograph (August 27, Nairobi, Kenya, Photo: Cabinet Public Relations Office)



Prime Minister Abe giving a keynote speech at the TICAD VI (August 27, Nairobi, Kenya, Photo: Cabinet Public Relations Office)

## Outline of TICAD (Tokyo International Conference on African Development)

[Basic Principle]

**Ownership and Partnership**

[Theme]

**Supporting Africa through broad support from the international community and expansion of development partnership**

[Approach]

**South-South cooperation: human security and respect for distinctiveness, diversity and identity**

—History of TICAD Process—

**1993:** The First Tokyo International Conference on African Development (TICAD I, Tokyo)

**1998:** The Second Tokyo International Conference on African Development (TICAD II, Tokyo)

**2001:** TICAD Ministerial Meeting (Tokyo)

**2003:** The Third Tokyo International Conference on African Development (TICAD III, Tokyo)

**2004:** TICAD Asia-Africa Trade and Investment Conference (AATIC) (Tokyo)

**2006:** TICAD Conference on Consolidation of Peace (Ethiopia)

**2007:** TICAD Ministerial Conference on Energy and Environment for Sustainable Development (Kenya)

**2008:** The Fourth Tokyo International Conference on African Development (TICAD IV, Yokohama)

**2009-2012:** TICAD Ministerial Follow-up Meeting was held every year (Botswana, Tanzania, Senegal and Morocco)

**2013:** TICAD V Ministerial Preparatory Meeting (Ethiopia)

**2013:** The Fifth Tokyo International Conference on African Development (TICAD V, Yokohama)

**2014:** The First TICAD V Ministerial Conference (Cameroon)

**2016:** The Sixth Tokyo International Conference on African Development (TICAD VI, Kenya)

**TICAD**  
NAIROBI 2016



announced at the opening session that Japan would “invest for the future of Africa,” amounting 30 billion dollars in total, when combined with investment from the private sector for a period of three years from 2016 to 2018 by implementing measures such as human resources development to 10 million people (empowerment) by making use of the strength of Japan (quality). This would be done in the priority areas of (1) promoting economic diversification and industrialization, (2) promoting resilient health systems for quality of life, and (3) promoting social stability for shared prosperity. Specifically, with regard to (1) promoting economic diversification and industrialization, in addition to implementing “Quality Infrastructure Investment” of approximately 10 billion US dollars, Japan announced the expansion of the “African Business Education Initiative for Youth (ABE Initiative),” and revealed “ABE Initiative 2.0” which aims at fostering skilled and competent workers in manufacturing and management who can be work-ready personnel. With regard to (2) promoting

resilient health systems for quality of life, in order to translate the “G7 Ise-Shima Vision for Global Health” into action in Africa as the outcome of G7 Ise-Shima Summit, Japan has announced to contribute to the realization of “strengthening the capacity for response as well as prevention of and preparedness against public health emergencies” and “promoting universal health coverage (UHC) in Africa” especially through human resource development. Also, Japan, in collaboration with other organizations, launched the “Initiative for Food and Nutrition Security in Africa (IFNA)” in the field of nutrition. With regard to (3) promoting social stability, towards the realization of peace and a stable Africa, Japan announced the provision of support including human resource development to about 9.6 million people including vocational training for 50,000 people and assistance amounting approximately 500 million US dollars.

Intensive discussion was held at the plenary sessions and the thematic sessions on the initiatives taken by each country

in Africa and other regions and the international community, addressing the challenges that emerged after TICAD V in 2013, such as the decline in international commodity prices, the vulnerability of the health systems and the rise of violent extremism. In the closing session, the “Nairobi Declaration” and “Nairobi Implementation Plan” was adopted as the TICAD outcome document, based on the discussions in each session.

During TICAD VI, Prime Minister Abe met with 26 African leaders including President Kenyatta of Kenya (the host country) for bilateral or group meetings, while Foreign Minister Kishida met with 10 ministerial level participants from Africa, as well as the heads of seven international organizations in bilateral or group meetings.

The initiatives announced by Japan at TICAD VI and the details of the Nairobi Declaration and its implementation plan will be steadily translated into action by the Government and private sector together with the international community. In particular, the Japanese initiatives announced by Prime Minister Abe are the very first step for Japan to implement the outcomes of the G7 Ise-Shima Summit. Japan will steadily move forward to promote African development and the activities of the private sector in Africa through measures such as the TICAD follow-up mechanism, and by utilizing Japan’s excellent science, technologies and innovation.

## 2 Situation of Sub-Saharan Africa and Japan’s efforts

### (1) African Union (AU)

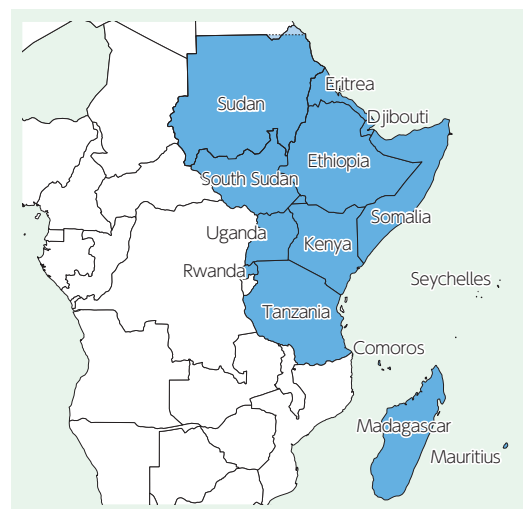
The 26th African Union (AU) Assembly Summit was held in Addis Ababa (Ethiopia)

in January, and Chad was elected as Assembly Chairperson of the AU for 2016. The State Minister for Foreign Affairs Kihara attended the 28<sup>th</sup> AU Summit Ministerial Executive Council Ordinary Session ahead of the Assembly Summit, while Special Advisor to the Prime Minister Kawai attended the Assembly Summit as the representative of Japan, and met with many African dignitaries, confirming matters including cooperation towards the TICAD VI.

An election of the Chairperson of the AU Commission took place at the 27th AU Assembly Summit held in Kigali (Rwanda) in July, but none of the candidates obtained the necessary votes. The election was conducted again at the 28th Assembly Summit in January 2017, and Chadian Minister of Foreign Affairs and African Integration Moussa Faki Mahamat was elected.

In March 2017, a decision was made to establish the Japanese Permanent Mission of Japan to AU, targeting 2018.

### (2) East Africa



Special  
Feature

## TICAD VI: the interest of the private sector in Africa

Africa, which continues to grow against a backdrop of abundant resources and an increasing population, is increasing its presence in the international community, and is an important partner for Japan politically and economically. Since the launching of the Tokyo International Conference on African Development (TICAD) in 1993, Japan has consistently led discussions in the international community regarding the development issues of Africa. TICAD is one of the largest international conferences on African development and it is co-organized by the UN, the United Nations Development Programme (UNDP), the World Bank and the African Union Commission (AUC) as an “open and inclusive forum.” It is attended by a wide range of people from international organizations involved in development, development partner countries including Europe, America and Asia, civil society and private sectors.

The Sixth Tokyo International Conference on African Development (TICAD VI), which was held in Nairobi, Kenya, over two days from August 27 to August 28, 2016, was a historical meeting, not only because it was the first to be held in Africa but also from the viewpoint of its scale and outcomes. The representatives of 53 African countries, international organizations and civil society, and private companies, and others participated in TICAD VI, and including the side events there were approximately 11,000 participants, the greatest number in the history of TICAD. At the meeting, intensive discussions were held regarding responses to the development issues that Africa has been facing since TICAD V in 2013, including the emerging need to change economic structures due to the declining international resources prices, and the fragility of health systems seen in the Ebola virus outbreaks, and destabilization of societies and the Nairobi Declaration was adopted as the outcome document.

Furthermore, the major feature of TICAD VI was the full-fledged involvement of the private sector. From Japan, a business mission of Sadayuki Sakakibara, Chairman of the Japan Business Federation, and other leaders from 77 organizations including Japanese businesses and universities accompanied Prime Minister Abe, and representatives of the private sector participated in all of the sessions. At the Japan-Africa Business Conference, a side event, 73 MOUs were signed between these private sector organizations and the African governments, companies, and so on. The Chairman of the Japan Business Federation (Keidanren) and the top company executives representing Japan had never visited Africa on this scale before. From the African side as well, top executives of private sector companies representing the continent attended, expressed their appreciation of the contributions of Japanese companies, and stated their expectations for further encouragement of investment.



Prime Minister Abe attending the Japan-Africa Business Conference (August 28, Nairobi, Kenya; Photo: Cabinet Public Relations Office)



Moreover, Prime Minister Abe announced the launch of the Japan and Africa Public-Private Economic Forum in order to ensure that the momentum toward promoting trade and investment with Africa created by TICAD VI is not transient. This is a forum in which government ministers from both Japan and Africa and leaders of economic organizations and companies gather together in Africa once every three years, and the public and private sectors work together to identify, from a business perspective, the challenges to overcome to further promote investment. Furthermore, keeping in mind the policy target that Japan “aims to achieve signing and effectuation of investment agreements in 100 countries and regions by 2020,” Japan is working intensively on investment agreements with African countries as well.

The strength of TICAD is the steady follow-up on initiatives taking into account the diverse needs of the African countries. In October 2016 Deputy Chief Cabinet Secretary Hagiuda held exchanges of views with the African ambassadors in Tokyo regarding steady implementation of the outcomes of TICAD VI. Both the public and private sectors will actively advance initiatives with a view to TICAD VII in 2019.



Prime Minister Abe visiting the Japan-Africa EXPO (August 27, Nairobi, Kenya; Photo: Cabinet Public Relations Office)

### A Uganda

Uganda is one of the major countries in East Africa which has high potential in trade and investment, in addition to stable domestic politics, including possible oil field development in the future. President Museveni was re-elected in February 2016, which will be his fifth term in office. Member of the House of Representatives and Vice President of the Japan-AU Parliamentary Friendship League Kazunori Tanaka attended the inauguration ceremony of the president in May as the special envoy of the Prime Minister. In addition, a Japan-Uganda summit meeting was held on the occasion of TICAD VI in August 2016 where both countries agreed to strengthen the cooperative relations in areas such as economy.

### B Ethiopia

In Ethiopia, sporadic demonstrations

against the government across the country occurred around July, which led to Prime Minister Hailemariam declaring a state of emergency in October, and a new Cabinet was formed in November. On the other hand, the strong economic growth continues, and the transformation of the economic structure towards industrialization has been advancing.

In relationship with Japan, Special Advisor to the Prime Minister Kawai visited



Opening Ceremony of JETRO Addis Ababa office (July 20, Addis Ababa, Ethiopia)

Ethiopia on the occasion of the 26<sup>th</sup> AU Summit and had a meeting with Prime Minister Hailemariam. In July, the Japan External Trade Organization (JETRO) re-opened its office in Addis Ababa, which is set to further encourage the activities of Japanese companies. Furthermore, Foreign Minister Kishida met with Ethiopian Foreign Minister Tedros on the occasion of the UN General Assembly in September, and they discussed the strength of economic relations, as well as collaboration in the field of human resource development through “Kaizen.”

### C Kenya

Kenya, which is the gateway to East Africa and the driving force of the economy in the region, continues to have solid growth underpinned by the stable government under President Kenyatta.



Prime Minister Abe's State Visit to Kenya (Top: Welcoming event; Bottom: Joint press conference) (August 26, Nairobi, Kenya, Photo: Cabinet Public Relations Office)

However, countermeasures against the threat of terrorism by the al-Qaida-based Islamic extremist organization Al-Shabaab located in Somalia and other general crimes are the challenges.

As for the relationship with Japan, Foreign Minister Kishida held a breakfast meeting with Ambassador Amina, Cabinet Secretary for Foreign Affairs, and other VIPs on the occasion of the open debate of the UN Security Council in July. In addition, Prime Minister Abe paid a state visit to Kenya on the occasion of the TICAD VI in August, held a summit meeting with President Kenyatta and issued a joint statement between Japan and Kenya. Both leaders took this opportunity to advance bilateral relations including the signing of the Japan-Kenya Investment Agreement and a Memorandum of Understanding in relation to the Mombasa Special Economic Zone. The Japan-Kenya foreign ministers' meeting was also held on the occasion of the TICAD VI. In addition, there have been visits by dignitaries of both countries. In November, Speaker of the National Assembly of Kenya Muturi visited Japan by the invitation of the Speaker of House of Representatives of Japan Tadamori Oshima, and paid a courtesy call on Prime Minister Abe.

### D Djibouti

Djibouti is situated at a strategic point which connects important sea lanes from Europe to the Indian Ocean and Asia through the Mediterranean Sea, the Suez Canal and the Red Sea. The incumbent President Guelleh was re-elected for a fourth term at the election held in April.

Japan has been implementing anti-piracy activities in Somalia and the Gulf

of Aden since 2009. In 2011, the Japan Self-Defense Forces started operation of their installations. The activities of various countries' units including the Self-Defense Force have contributed significantly to reducing the number of piracy incidents in the sea area. Bilateral relations have been strengthened with Member of the House of Representatives (and President of the Parliamentary group for friendship between Japan-Djibouti) Itsunori Onodera attending President Guelleh's inauguration ceremony as special envoy of the Prime Minister in May 2016 and the Japan-Djibouti summit meeting was held on the occasion of the TICAD VI in August.



Special Envoy of the Prime Minister, Mr. Onodera handing a letter from Prime Minister Abe to Djibouti President Guelleh (May 8, Djibouti)

### **E** Seychelles

The Seychelles, an island country consisting of 115 islands, is located in the middle of the Indo-Pacific, which is a strategic point connecting Africa with Asia. The constitutional amendment in April reduced the maximum number of presidential terms from three to two. Consequently, in October, the incumbent President Michel, who had already been elected for a third time, stepped down, and Vice President Faure was promoted to the President.

### **F** Somalia

Progress is being made towards the reconstruction of the nation following the civil war in Somalia and the international community has provided assistance for facilitating the political process on the occasion of the Federal Parliament elections. The Presidential election was peacefully held in February 20. Against such threats, countermeasures have been taken towards the stabilization of the situation through the Somali National Army and the African Union Mission In Somalia (AMISOM).

### **G** Madagascar

The democratic process in Madagascar has taken time following the political change in 2009, but the political situation has been relatively stable since President Rajaonarimampianina appointed Prime Minister Mahafaly and formed a new Cabinet in April 2016.

The Japan-Madagascar summit meeting was held on the occasion of the TICAD VI in August 2016, and both leaders confirmed the strengthening of bilateral relations, including assistance for investment by Japanese companies.

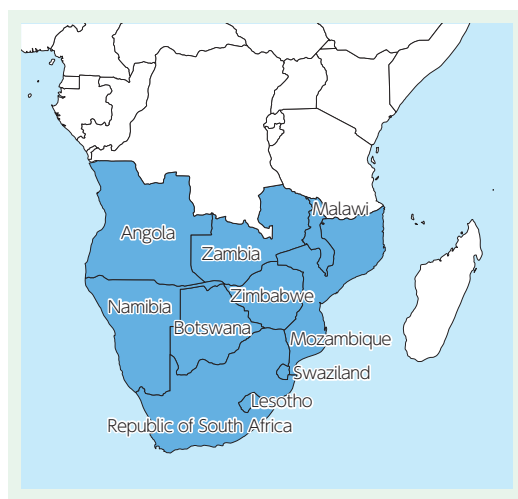
### **H** South Sudan

In South Sudan, in April, former Vice President Machar of SPLM-IO (Sudan People's Liberation Movement in Opportunities) was appointed as the First Vice President, and the Transitional Government of National Unity was established in accordance with the "Resolution of the Conflict in the Republic of South Sudan", signed in the previous year. However, fighting broke out in the capital Juba in July and First Vice President Machar fled the country. President Salva

Kiir, in cooperation with First Vice President Taban Deng Gai, representing SPLM-IO, took measures to implement the agreement and prepare for a national dialogue.

Japan has contributed to establishing peace and stability and nation building by the South Sudanese government through measures such as the dispatch of the Self Defense Force to the UN Mission in the Republic of South Sudan (UNMISS). A decision was made in March 2017 to end the activities of the Self Defense Force engineering units at the end of May (See 3-1-3 (2)).

### (3) Southern Africa



#### A Angola

Angola has been achieving high economic growth due to its abundant energy and mineral resources. However, the decline of oil prices in recent years has caused the economy to stall and the country has been focusing on the diversification of its industry, so as to not be solely dependent on oil.

To celebrate the 40 year anniversary of the diplomatic relations between Japan and Angola, the Speaker of National Assembly

of Angola Fernando da Piedade Dias dos Santos visited Japan in March 2016 and paid a courtesy visit to Prime Minister Abe. Furthermore, during the year of 2016, Japan and Angola both served as non-permanent members of the UN Security Council and built a cooperative relationship in the international arena as well.



Prime Minister Abe shaking hands with National Assembly Speaker of the Republic of Angola, Fernando da Piedade Dias dos Santos (March 22, Tokyo, Photo: Cabinet Public Relations Office)

#### B Zambia

With its stable domestic affairs since the independence, Zambia is said to be a stabilizing force in Southern Africa. Zambia proactively contributes to regional peace and stability including through peace mediation to neighboring countries and acceptance of refugees. The incumbent President Lungu was re-elected in August as a result of the presidential elections, which counts for the second term. Diversification of the industrial structure and promotion of foreign investment remain as the highest priority in its economic policy, and investment from Japanese companies is expected, based on the stable domestic situation and abundance of mineral resources.

### C Zimbabwe

Zimbabwe has implemented various industrial development policies under President Mugabe, who is in his sixth term of office. The issues which the country has been tackling include trade, investment and fiscal administration.

President Mugabe visited Japan in March, held a summit meeting with Prime Minister Abe, and issued a joint statement. As a form of real economic cooperation between the two countries, Prime Minister Abe announced that Japan will continue to assist Zimbabwe's development efforts and the improvement of the investment environment following the previous year's grant aid, which was provided to Zimbabwe for the first time in 15 years.

### D Republic of South Africa

The Republic of South Africa continues to attract attention from Japanese and other foreign companies, as a major economic power in Sub-Saharan Africa and as a base for operating business in the region.

In February, the Federation of Economic Organizations (Keidanren) dispatched the Southern Africa Economic Mission, and held meetings with dignitaries including Deputy President Ramaphosa. In addition, Prime Minister Abe held a summit meeting with President Zuma on the occasion of the TICAD VI in August, and announced cooperation in the fields of job creation and human resource development.

### E Mozambique

Mozambique has been attracting considerable attention from Japanese and other foreign companies as an investment destination thanks to its abundance of energy resources such as oil and natural

gas. Resource development by these foreign capital has led to steady economic growth.

The Japan-Mozambique summit meeting was held on the occasion of the TICAD VI in August and both leaders mutually confirmed further development of bilateral relations towards the 40<sup>th</sup> anniversary of the diplomatic relations between Japan and Mozambique in 2017.



Prime Minister Abe meeting with Mozambique President Nyusi (August 26, Nairobi, Kenya, Photo: Cabinet Public Relations Office)

### F Lesotho

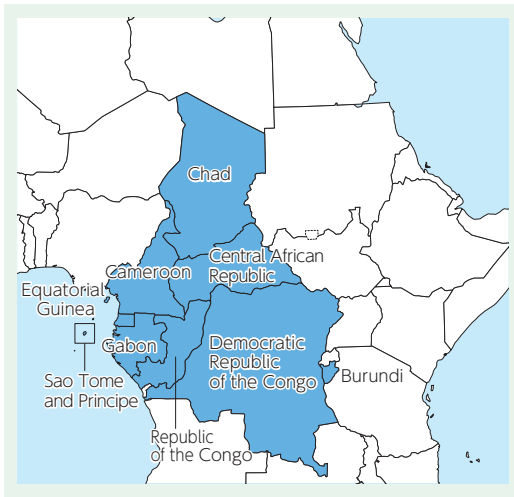
Lesotho, a land-locked country surrounded by the Republic of South Africa, celebrated the 50<sup>th</sup> anniversary of independence in 2016, and a memorial ceremony was held in Maseru on Independence Day (October 4<sup>th</sup>).

To mark this commemorative year, Their Majesties King Letsie III and Queen Masenate Mohato Seeiso visited Japan for the first time in November. During their stay in Japan their Majesties visited Tokyo and other regions. The visit by Their Majesties to the Tohoku region to inspect the disaster-affected area, in particular, was an opportunity to internationally disseminate the latest reconstruction status of the affected areas.



Tree planting ceremony to plant reconstruction memorial tree by their majesties King Letsie III and Queen Masenate Mohato Seeiso of Lesotho (November 26, Soma City, Fukushima Prefecture)

#### (4) Central Africa



##### **A** Democratic Republic of the Congo

The Democratic Republic of the Congo, located in Central Africa, is faced with issues such as the activities of anti-government forces of neighboring countries in the eastern part of the country. Even now, the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) is being deployed.

Though President Kabila's first term of office expired in December, President Kabila remained in the post without organizing the next presidential election.

Discussion for a presidential election to be held before the end of 2017 continues based on an agreement concluded between the ruling and opposition parties executed on December 31. Since the stability and growth of the Democratic Republic of the Congo is likely to contribute to the development of the neighboring regions, Japan is implementing democratization training for police with UN organization as well as infrastructure development and environmental conservation activities, for the consolidation of peace.

##### **B** Sao Tome and Principe

Former Prime Minister Carvalho was elected as President of Sao Tome and Principe in the presidential elections held from July to August. Japan dispatched electoral observers to the elections.

In December, the country terminated diplomatic relations with Taiwan that had been in place for about 20 years, and restored diplomatic ties with China.

##### **C** Equatorial Guinea

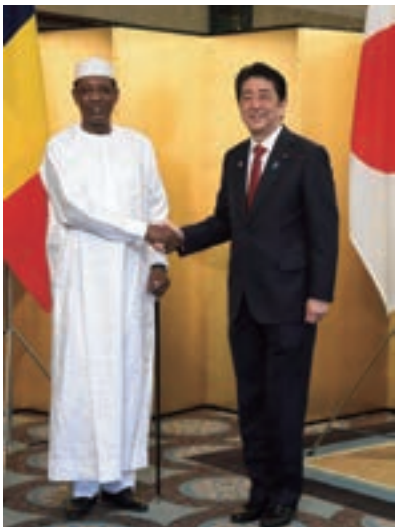
President Nguema of Equatorial Guinea, who was elected for his fifth term in April, attended the TICAD VI in August and held a summit meeting with Prime Minister Abe. President Nguema expressed appreciation for Japan's support in areas such as human resource development and policy.

##### **D** Chad

Chad plays a major role in regional stability through measures such as dispatching many troops to UN PKO in neighboring countries and counter terrorism operations, as well as accepting many refugees from neighboring countries. The incumbent President Deby Itno was reelected (for a fifth term) at

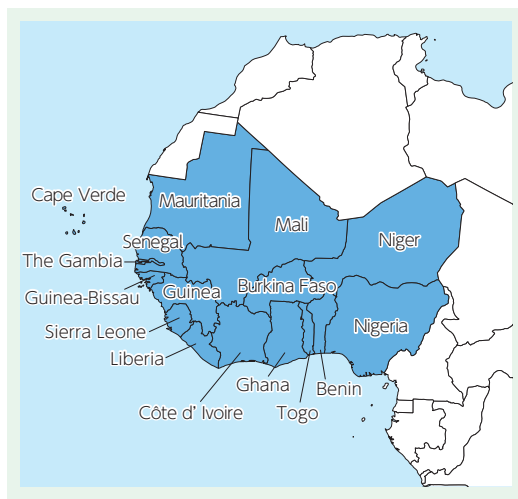
presidential elections held in April.

The President, who was the 2016 Chair of the African Union visited Japan in May to participate in the Outreach Meeting of the G7 Ise-Shima Summit. He had a Japan-Chad Summit Meeting and issued a joint statement with Prime Minister Abe. In August, President Deby Itno co-chaired TICAD VI with Prime Minister Abe and Kenyan President Kenyatta, and led the conference to success.



Prime Minister Abe shakes hands with President of Chad Idriss Deby Itno (May 28, Nagoya, Aichi Prefecture, Photo: Cabinet Public Relations Office)

## (5) West Africa



## A Ghana

Ghana, which is recognized as a role model of democracy in Africa, held a presidential election in December 2016 and the former Foreign Minister and opposition party candidate Akufo-Addo was elected. House of Representatives Member Manabu Sakai (President of the Japan-Ghana Parliamentary Friendship League) attended the January 2017 presidential inauguration ceremony as a special envoy of the Prime Minister.

In terms of relations with Japan, President Mahama visited Japan in May and held a summit meeting with Prime Minister Abe, issuing a joint statement that included lines on economic cooperation. President Mahama and Prime Minister Abe also held a summit meeting on the occasion of the TICAD VI in August.

## B The Gambia

The Gambia, which hosted the June Preparatory Ministerial Meeting of the TICAD VI, held a presidential election in December. The incumbent President Jammeh lost after being in power for more than 20 years and Adama Barrow was elected. President Jammeh rejected the results of the election, but later in January 2017, he left The Gambia accepting mediation led by countries in West Africa. Thus a transition of the administration was realized.

## C Guinea

Guinea suffered from the outbreak of the Ebola Virus Disease from 2014 to 2015. At the end of December 2015, President Conde was re-elected (for a second term), and in January 2016 a cabinet was formed under the leadership of Prime Minister Youla.

President Conde attended the TICAD VI in August, and held a summit meeting with Prime Minister Abe. They agreed on matters such as the promotion of development cooperation for reconstruction and growth after the Ebola outbreak.

#### **D Côte d'Ivoire**

A new constitution that includes the establishment of the post of Vice-President and an upper house was promulgated in November following a referendum in Côte d'Ivoire, which has been enjoying a stable economic growth in recent years. However, there were concerns on the security front of increased terrorist attacks by Islamic extremists such as the beach resort attack in the outskirts of Abidjan in March.

Japan dispatched the Public and Private Sector Joint Mission for Promoting Trade and Investment in Africa, led by State Minister for Foreign Affairs Kihara, and joined by 13 private sector companies, to Cote d'Ivoire in March. President Ouattara had a summit meeting with Prime Minister Abe on the occasion of the TICAD VI in August, and the two leaders announced the commencement of negotiations for a bilateral investment treaty.

#### **E Nigeria**

In Nigeria, President Buhari has been undertaking mopping up operations and achieved a certain degree of success in relation to Boko Haram, an Islamic extremist group that has repeatedly conducted acts of terrorism mainly in the northeast of the country. However, being Africa's largest oil-producing country, the economic situation has deteriorated because of the drop in resource prices.

President Buhari held a summit with Prime

Minister Abe on the occasion of the TICAD VI in August and exchanged opinions about the importance of developing Nigeria's investment environment.

#### **F Senegal**

Senegal is a stable country in West Africa, and is serving as a UN Security Council non-permanent member together with Japan for a two-year term starting from 2016.

Bilateral cooperation and cooperation in the international arena with Japan has been strengthened. Foreign Minister Kishida held a breakfast meeting with Minister for Foreign Affairs and Senegalese Abroad Ndiaye on the occasion of the open debate of the UN Security Council in July. In August, Foreign Minister Ndiaye visited Japan and held a meeting with Foreign Minister Kishida. In the same month, Prime Minister Abe had a summit meeting with President Sall on the occasion of the TICAD VI.

In December, Parliamentary Vice-Minister for Foreign Affairs Shunsuke Takei attended "The third Dakar International Forum on Peace and Security in Africa", and called for a policy further contributing to peace and stability in the international community based on proactive contribution to peace.

#### **G Benin**

Benin, which is said to be a model for democracy in West Africa, held a peaceful presidential election in March, and President Talon was elected. Member of the House of Representatives Shinsuke Okuno attended the inauguration ceremony in April as special envoy of the Prime Minister. In August, Prime Minister Abe and President Talon had informal talks on the occasion of the TICAD VI.





# Chapter 3

## Japan's Foreign Policy to Promote National and Worldwide Interests

<b>Section 1</b>	Efforts for Peace and Stability of Japan and the International Community	186
<b>Section 2</b>	Japan's International Cooperation (Development Cooperation and Response to Global Issues)	258
<b>Section 3</b>	Economic Diplomacy	287
<b>Section 4</b>	Efforts to Promote Understanding and Trust in Japan	325

## Section 1

# Efforts for Peace and Stability of Japan and the International Community

### Overview

#### (National Security)

The security environment surrounding Japan is becoming increasingly severe in recent years. The enhancement of North Korea's nuclear and missile capabilities, the increase in China's military spending which is lacking transparency, and its unilateral attempt to change the status quo by force or coercion at sea and in the airspace at areas such as the East and South China Seas, have been concerns of the international community. Furthermore, risks such as the spread and diversification of international terrorism and cyberattack are becoming more serious.

Facing such a security environment, it is necessary to secure peace of the international community in order to ensure the security of Japan and the peace and stability of the region. It is necessary for Japan to secure peace by advancing vibrant diplomacy under the policy of "Proactive Contribution to Peace" based on the principle of international cooperation. Under the "Legislation for Peace and Security," which took effect in March, Japan has made concrete efforts to contribute even more proactively in securing peace,

stability and prosperity of the international community.

Also, ensuring the forward deployment of U.S. Forces under the Japan-U.S. Security Arrangements and thereby enhancing deterrence are indispensable not only for the peace and security of Japan but also for the peace and stability of the Asia-Pacific region. In order to further enhance the Japan-U.S. Alliance's deterrence and response capabilities, the two countries will expand and strengthen cooperation in various fields such as ballistic missile defense, cyberspace, outer space, and maritime security, including efforts made under the new Guidelines for Japan-U.S. Defense Cooperation (the New Guidelines) and the Legislation for Peace and Security. With regard to the realignment of U.S. Forces in Japan, both governments are determined to mitigate the impact on local communities, including Okinawa, while maintaining deterrence, by steadily implementing the existing agreements between the two governments, including the relocation of Marine Corps Air Station (MCAS) Futenma to Henoko.

In addition to strengthening the Japan-U.S. Alliance, it is necessary for Japan to build trust and cooperative relations with its

partners both inside and outside the Asia-Pacific region, and to create multilayered relationships for security cooperation. Japan also promotes collaboration in the area of security with the ROK, Australia, European countries, the Association of Southeast Asian Nations (ASEAN), India, and other countries with which it shares strategic interests.

In addition, it is also important to promote the institutionalization of regional cooperation frameworks in the security aspect of the Asia-Pacific region. Japan also advances partnership and cooperation through multilayered regional cooperation frameworks, including the East Asia Summit (EAS), ASEAN Regional Forum (ARF) and the ASEAN Defense Ministers Meeting-Plus (ADMM-Plus), and advances partnership and cooperation through trilateral cooperation frameworks such as the Japan- U.S.-ROK, Japan-U.S.-Australia, Japan-U.S.-India and Japan-Australia-India frameworks.

#### **(Peacekeeping and Peacebuilding)**

The security and prosperity of Japan cannot be achieved merely by improving the security environment surrounding Japan. It also depends on the peace and stability of the international community. Based on this understanding Japan has been actively engaged in addressing various issues and challenges that confront the international community. In particular, Japan addresses peacebuilding which is essential in order to prevent the outbreak and recurrence of conflicts and to achieve sustainable peace as one of its key diplomatic agenda. Such comprehensive efforts include peacekeeping, emergency humanitarian assistance, promotion of peace processes,

maintenance of security, and reconstruction and development. For instance, Japan proactively cooperates with United Nations (UN) peacekeeping operations (PKOs) and the UN Peacebuilding Commission (PBC), and is engaged in the development of social infrastructure through the utilization of Official Development Assistance (ODA) as well as human resource development.

#### **(Threats to Security)**

In recent years, the threat of terrorism has been spreading from the Middle East and Africa toward Southeast Asia and South Asia with which Japan has a close relationship not only geographically but also politically and economically in all spheres. In 2016, a terrorist attack struck Dhaka in Bangladesh, resulting in casualties including Japanese nationals. Countering the spread of violent extremism through the propaganda of terrorist groups, foreign terrorist fighters and their return have become great challenges.

Japan works with the international community to promote international cooperation in countering terrorism and violent extremism through a comprehensive, enhanced approach, which includes the release of the G7 Action Plan on Countering Terrorism and Violent Extremism at the G7 Ise-Shima Summit, and the announcement of Japan's commitment at the Japan-ASEAN Summit meeting on comprehensive counter-terrorism measures consisted of: (1) Improvement of counter-terrorism capacity; (2) Measures to counter violent extremism conducive to terrorism; and, (3) Social and economic development assistance for creating a foundation for a moderate society.

### (Disarmament and Non-proliferation)

As the only country to have ever suffered atomic bombings, Japan has been proactively promoting efforts to realize “a world free of nuclear weapons.” To achieve this goal, it is vital for nuclear-weapon States and non-nuclear-weapon States to cooperate and advance realistic and practical measures based on a clear understanding of the humanitarian consequences of the use of nuclear weapons, as well as an objective assessment of the severe security environment. Based on this understanding, in April, at the G7 Hiroshima Foreign Ministers’ Meeting, Japan, as the President of the G7 that comprises both nuclear-weapon and non-nuclear-weapon States, and G7 Foreign Ministers issued “the Hiroshima Declaration on nuclear disarmament and non-proliferation” to send a powerful message for “a world free of nuclear weapons”. In May, President Obama of the United States of America, visited Hiroshima for the first time as the incumbent President. This, with visits by other leaders around the world to sites of atomic-bombings, contributed to revitalizing international momentum toward achieving “a world free of nuclear weapons.” The year 2016 marked the 20th anniversary of the opening for signature of the Comprehensive Nuclear-Test-Ban Treaty (CTBT). Japan, as a co-ordinator for facilitating entry into force of the Treaty together with Kazakhstan, made enormous effort to encourage those countries that have not signed and ratified it to do so, and in September, Foreign Minister Kishida co-chaired the Ministerial Meeting

of the Friends of the CTBT at the UN General Assembly. Nevertheless the UN General Assembly had some countries demonstrated clear differences in their approach toward nuclear disarmament<sup>1</sup>, the resolution on the elimination of nuclear weapons, which Japan has been submitting to the UN General Assembly annually since 1994, was adopted with 167 votes in favor. To promote nuclear disarmament, it is important to convey the tragedies of use of nuclear weapons. Therefore, the Ministry of Foreign Affairs is calling for world’s political leaders to visit Hiroshima and Nagasaki and putting effort into passing on the correct understanding of the realities of the use of nuclear weapons beyond national borders and generations through initiatives including the “Youth Communicator for a World without Nuclear Weapons” program, which was launched to support younger generations in conveying the realities of the use of nuclear weapons at international conferences overseas, as well as “the Special Communicator for a World without Nuclear Weapons” program, which aims at supporting atomic bomb survivors’ activities of telling their testimonies. In December, Japan held the “International Conference in Nagasaki – towards a world free of nuclear weapons” and invited government officials, experts, and youths from various countries to the city of Nagasaki.

As for the regional nuclear proliferation issues, the nuclear agreement between Iran and EU3 (UK, France, and Germany) +3 (the U.S., China, and Russia) has continued to be upheld, and the IAEA has reported

<sup>1</sup> For example, a resolution to convene a conference to negotiate a legally binding instrument to prohibit nuclear weapons was adopted by 113 votes in favor including Austria, Mexico, and Sweden. However, 13 countries including China, India, Pakistan, and the Netherlands abstained, while 35 countries including the U.S., the UK, France, Russia, Japan, Australia, Germany, and Canada opposed.

that Iran has implemented its commitments based on this nuclear agreement.

On the other hand, North Korea conducted two nuclear tests in 2016, launching more than 20 ballistic missiles, and posing a new level of threat not only to East Asia but also to the international community. In light of this situation, Japan has continued to discuss nuclear and non-proliferation issues with the relevant countries, and is implementing initiatives to strengthen the International Atomic Energy Agency (IAEA) safeguards and export controls, particularly in developing countries in Asia. For example, Japan hosts the Asia Senior-Level Talks on Non-Proliferation (ASTOP) for exchanging opinions on various non-proliferation issues, including the North Korea's nuclear issue. It is held every year with the participation of 18 countries<sup>2</sup>, mainly from Asia, and also provides support to countries in Asia to enhance their capabilities in the field of non-proliferation. Japan will continue its support for strengthening the non-proliferation regime.

### **(The Oceans and Seas/Cyberspace/ Outer space)**

“Open and Stable Seas,” which are upheld by a maritime order governed by law and rules and not by force, are essential for peace and prosperity not only of Japan, but also of the international community as a whole. From the perspective of contributing to maintaining a maritime order, Japan is dedicated to ensuring the freedom of navigation and overflight of the high seas and safe maritime transport through various efforts and cooperation

with other countries, including anti-piracy operations. Especially for Japan, a maritime nation surrounded by the sea, a maritime order, with the United Nations Convention on the Law of the Sea (UNCLOS) at the core, is indispensable for securing its maritime rights and interests as well as for undertaking maritime activities smoothly.

Regarding cyber issues, in order to ensure a free, fair and safe cyberspace, Japan contributes proactively to international discussions on cyber security, including the making of international rules in cyberspace. For this purpose, Japan cooperates with a wide range of stakeholders, such as private companies and experts. Furthermore, Japan promotes concrete forms of cooperation and confidence-building with other countries through dialogues and discussions on cyber issues. At the same time, Japan provides support for capacity-building in developing countries.

In order to tackle increasing risks to sustainable and stable use of outer space, Japan has been engaged in efforts to realize and strengthen the rule of law in outer space as well as conducting dialogues and consultations with other countries on space while promoting international cooperation in the fields of space science and exploration, and supporting overseas business development of the Japanese space industry.

### **(United Nations)**

Since January 2016, Japan has been serving as a non-permanent member of the United Nations Security Council for the 11th time, which is more frequent than any other UN member states. Through

<sup>2</sup> Japan, ASEAN countries, China, Republic of Korea, Australia, New Zealand, the US, Canada and France

this, Japan plays an active role in ensuring international peace and security.

2016 also marked the 60th anniversary of Japan's accession to the United Nations. Japan, which made a fresh start as a peace-loving nation after World War II, fulfilled its long-cherished wish of gaining entry into the United Nations in 1956. For 60 years thereafter, Japan has built up a track record in international contributions in various areas of the United Nations' activities, including the three pillars of peace and security, development, and human rights.

Today, the international community is confronted by a wide range of cross-border challenges including conflict, terrorism, refugees, poverty, climate change, and infectious diseases, and the United Nations has to fulfill an ever-growing role. Under the policy of "Proactive Contribution to Peace" based on the principle of international cooperation, Japan will take an even more proactive approach toward tackling these issues through the United Nations.

The international situation is undergoing significant changes, such as the rise of emerging countries and response to global issues. To enable the United Nations to deal with the challenges confronting the international community more effectively, Japan will continue to work proactively towards the reform of the United Nations, including the Security Council.

#### **(Rule of Law)**

The rule of law is the concept that recognizes the superiority of the law over all forms of power; it is the basis of friendly and equitable relations between states as well as an essential cornerstone of a fair and just domestic society. The rule of law is also an important factor in promoting

"good governance" in each country and in ensuring the peaceful settlement of disputes. Based on this view, Japan promotes rule-making and its implementation in bilateral and multilateral contexts in various fields, such as security, socio-economic areas, and criminal justice. Furthermore, in order to promote peaceful settlement of disputes and maintain international legal order, Japan proactively cooperates with international judicial organizations such as the International Court of Justice (ICJ), the International Tribunal for the Law of the Sea (ITLOS), and the International Criminal Court (ICC) to strengthen their functions by providing personal and financial contributions. In addition, Japan endeavors to enhance the rule of law in Asia as well as the international community as a whole by providing legal technical assistance, participating in international conferences, exchanging views with various countries, and holding events related to international law.

#### **(Human Rights)**

Human rights and fundamental freedoms are universal values. The protection and promotion of these values are the basic responsibility for all states and a legitimate concern of the entire international community. It is essential that these values are fully guaranteed in each country not only for the peace and prosperity of Japan, but also for laying the foundations of peace and stability in the international community. Towards this end, Japan is working more actively than ever in the field of human rights. Specifically, Japan makes proactive contributions to improve the human rights situation around the world through dialogue and cooperation. Japan also engages in

bilateral dialogues, actively participates in multilateral forums including the UN, and continues constructive dialogues with human rights mechanisms.

### (Women)

With the determination that the 21<sup>st</sup> century should be a world with no human rights violations against women, Japan has been leading the international community to promote gender mainstreaming and women's empowerment and to build "a society where women shine" around the world by setting the following three areas as priority fields: (1) promoting women and girls' rights; (2) improving an enabling environment for women and girls to reach their full potential; and (3) advancing women's leadership in politics, economics, and other public fields. As a part of these efforts, Japan has led discussions to promote women's empowerment in the world through forums such as the G7 Ise-Shima Summit and the World Assembly for Women. It has also announced its "Development Strategy for Gender Equality and Women's Empowerment," which aims to further strengthen women's capabilities and their advancement in society. To promote the empowerment of women in developing countries, Japan announced its commitment to provide support of more than 3 billion US dollars in total by 2018 and is steadily implementing this initiative.

## 1 National Security Initiatives

### (1) "Proactive Contribution to Peace" Based on the Principle of International Cooperation

The security environment surrounding Japan is becoming increasingly severe.

North Korea has reached a new level of threat, conducting two nuclear tests and launching more than 20 ballistic missiles since the beginning of 2016 despite strong and repeated calls for self-restraint from the international community, including Japan. China has been expanding its military capabilities, and increasing its national defense budgets by approximately 44 times over the past 28 years, lacking transparency as it has not provided any detailed breakdown. China has also been continuing its unilateral attempts to change the status quo by force or coercion at sea and in the air in the East and South China Seas, based on its own claims, which are inconsistent with the existing international order. Furthermore, there are widespread



The ballistic missile, launched by North Korea on February 12, 2017



China's maritime structures confirmed to have been installed near the geographical equidistance line between Japan and China. (Photo: Ministry of Defense)  
Refer to the following website for the details: [http://www.mofa.go.jp/mofaj/area/china/higashi\\_shina/tachiba.html](http://www.mofa.go.jp/mofaj/area/china/higashi_shina/tachiba.html) (in Japanese)

and diversifying global security challenges, including the proliferation of weapons of mass destruction, the growing threat of international terrorism, and emerging issues in new domains such as cyberspace and outer space. In such a security environment, any threats, wherever in the world they occur, could directly affect the security of Japan, and no nation can any longer maintain its own security alone.

Since the end of World War II, Japan has consistently followed the path of a peace-loving nation under the Constitution of Japan, and has proactively contributed to the peace and prosperity of the international community through cooperation with the international community as well as other international organizations including the United Nations. The posture that Japan has taken has garnered appreciation and respect from the international community.



Undergoing land reclamation at Fiery Cross Reef in the South China Sea.  
Top: August 14, 2014  
Bottom: March 9, 2017  
Source: <http://amti.csis.org/>

The international community expects Japan to play a more proactive role for the peace and stability in the world in a way commensurate with its national capabilities.

Continuing to adhere to the course that it has taken to date as a peace-loving nation, Japan will advance vibrant diplomacy under the policy of “Proactive Contribution to Peace” based on the principle of international cooperation, and will contribute even more proactively to the peace and security of the international community in order to respond to the requests from the international community.

## (2) Enforcement of the “Legislation for Peace and Security,” and Initiatives Based on the Legislation

In order to adapt to the changes in the security environment surrounding Japan and to secure the lives and peaceful livelihood of its people, it is important to advance vibrant diplomacy to create a stable and predictable international environment. In addition, it is important to enable seamless responses to any situations, and to contribute even more proactively to the peace and stability of the international community under the policy of “Proactive Contribution to Peace” based on the principle of international cooperation. To achieve these objectives, the “Legislation for Peace and Security” took effect in March 2016.

This legislation aims to solidify Japan's orientation as a peace-loving nation, including adherence to its exclusively defense-oriented policy. The legislation strengthens the Japan- U.S. Alliance and enhances the deterrence of Japan, and thus enables Japan to prevent conflicts beforehand. Also, the legislation enables



Japan to further contribute to the international community. In November, a specific initiative implemented under this legislation was the Cabinet decision to revise the Implementation Plan to enable the Engineering Unit dispatched to the UN Mission in South Sudan (UNMISS) to come to the aid of individuals engaging in activities related to UN peacekeeping operations upon urgent request. Given that the scope of goods and services that the SDF can provide was expanded under the “Legislation for Peace and Security”, a new Acquisition and Cross-Servicing Agreement (ACSA) was signed with the U.S. (September) and Australia (January 2017), and an ACSA was also signed with the UK (January 2017).

The Government of Japan has taken advantage of a variety of opportunities to thoroughly explain the “Legislation for Peace and Security” to foreign countries. Not only the U.S. but also a number of countries and organizations including Australia, ASEAN member countries, European countries, Central and South American countries, and the United Nations have expressed their understanding and support for this legislation<sup>3</sup>. This clearly demonstrates that the “Legislation for Peace and Security” is legislation that contributes to the peace and security of the world.

### (3) Territorial Integrity

Maintaining territorial integrity is a fundamental responsibility of a state. Japan’s policy to resolutely protect its land, sea and airspace remains unchanged.

Japan will continue to maintain its stance of responding firmly but in a calm manner. Government agencies are working in close cooperation to advance measures to ensure a seamless and adequate response to any form of illegal acts. At the same time, the Government of Japan engages in proactive efforts to promote awareness of Japan’s position on territorial integrity among the international community, making use of the contacts and knowledge of our diplomatic missions overseas.

## 2 Japan-U.S. Security Arrangements

### (1) Overview of Japan-U.S. Security Relationship

Under the security environment surrounding Japan which is becoming increasingly severe, it is indispensable to strengthen the Japan-U.S. Security Arrangements and to enhance the deterrence of the Japan-U.S. Alliance not only for the peace and security of Japan but also for the peace and stability of the Asia-Pacific region. Based on the robust bilateral relationship confirmed through such meetings as the Japan-U.S. Summit Meeting in May 2016, Japan and the U.S. are further enhancing their deterrence and response capabilities under the New Guidelines and the Legislation for Peace and Security. Through such efforts, Japan and the U.S. have been expanding and strengthening cooperation in a wide range of areas, including ballistic missiles defense, cyberspace, outer space, and maritime security. Japan and the U.S. have been

<sup>3</sup> By the end of 2015, countries including the U.S., Australia, Indonesia, Malaysia, the Philippines, India, France, Germany, the UK, Bangladesh, Papua New Guinea, Sri Lanka, Canada, Dominica, Jamaica, Paraguay, Czech Republic, Finland, Georgia, the Netherlands, Slovakia, Israel, Jordan, Qatar, and Kenya, as well as regional organizations such as ASEAN and the EU, also expressed their support and welcome. In 2016, countries including Singapore, Argentina, Peru, Panama, Ghana, as well as the United Nations, expressed their support and welcome for the first time.

working closely on the realignment of U.S. Forces in Japan, including the relocation of Marine Corps Air Station (MCAS) Futenma and of approximately 9,000 U.S. Marine Corps in Okinawa to Guam and other locations in order to mitigate the impact on local communities, including Okinawa, while maintaining the deterrence of the U.S. Forces in Japan.

## (2) Japan-U.S. Security and Defense Cooperation in Various Fields

### A Efforts Under the Guidelines for Japan-U.S. Defense Cooperation (the "Guidelines")

As the security environment surrounding Japan is becoming increasingly severe, the New Guidelines announced at the April 2015 meeting of the Japan-U.S. Security Consultative Committee ("2+2"), reviewed and updated the general framework and policy direction of the Japan-U.S. defense cooperation. Through the Alliance Coordination Mechanism (ACM) institutionalized under the New Guidelines, Japan and the U.S. have shared information closely, established a common understanding of the situation, and ensured effective coordination. Such efforts to enable "seamless" responses from peacetime to contingencies have contributed to further facilitating the Japan-U.S. security arrangements on various occasions, including the joint operations of the Japan Self-Defense Forces (JSDF) and the U.S. Forces in swift response to the Kumamoto Earthquake in April 2016. Interpersonal exchange between top-officials has been increasingly vigorous, with visits to Japan by U.S. Pacific Commander Admiral Harris in February and July, Chief of Staff of the U.S. Air Force, General Goldfein in November,

and former Secretary of Defense, Secretary Carter, in December. The Japan-U.S. Extended Deterrence Dialogue was held in July and December, in which Japan and the U.S. had candid discussions about ways to secure the deterrence of the Japan-U.S. Alliance. Through these efforts, Japan will continue to promote security and defense cooperation with the U.S., further enhancing the deterrence and response capabilities of the Alliance.

### B Japan-U.S. Acquisition and Cross-Servicing Agreement (Japan-U.S. ACSA)

In September, Japan and the U.S. signed the Japan-U.S. Acquisition and Cross-Servicing Agreement (ACSA), which sets out the framework for settlement procedures etc., for the reciprocal provision of supplies and services between the JSDF and the U.S. Forces. This agreement is formed as a replacement of the existing Japan-U.S. ACSA so that the supplies and services that are enabled to provide under the Legislation for Peace and Security are also implemented under the same framework as the existing one, including settlement procedures. This agreement facilitates the smooth and swift provision of supplies and services between the JSDF and the U.S. Forces, thereby promoting close cooperation between the two forces and active contributions to international peace and security.

### C Ballistic Missile Defense (BMD)

Japan has been making steady efforts to develop and engage in the joint production of the BMD system while continuing cooperation with the U.S., including the steady implementation of joint development of the Standard Missile 3 (SM-3) Block IIA

since 2006.

#### **D Cyberspace**

The two countries held the fourth Japan-U.S. Cyber Dialogue in July in the U.S. (Washington DC). Based on the necessity for intergovernmental efforts between Japan and the U.S., participants from both sides had a follow-up discussion on the outcome of the third dialogue held in July 2015. They also discussed a wide range of areas for Japan-U.S. cooperation in cyberspace, including awareness about the situations, protection of critical infrastructure, and cooperation in the international arena that includes capacity building.

#### **E Outer Space**

Japan and the U.S. discussed a wide range of cooperation on space, including the area of security at the Space Security Dialogue in March, and at the Japan-U.S.-Australia Space Security Dialogue in October. Japan and the U.S. are continuing to cooperate on space security, including through mutual exchange of information in the field of Space Situational Awareness (SSA), and efforts to ensure the resiliency of space assets (i.e. the ability to maintain the function of facilities or systems required for the operation of the space system even during unforeseen circumstances).

#### **F Trilateral Cooperation**

Japan and the U.S. place importance on security and defense cooperation with allies and partners in the Asia-Pacific region. In particular, the two countries are steadily promoting trilateral cooperation with Australia, the ROK, and India. At the Japan-U.S. Summit Meeting held in May and December as well as other meetings,

the leaders affirmed that this trilateral cooperation would promote the shared security interests of Japan and the U.S., and that it will contribute to improving the security environment in the Asia-Pacific region. Also, following the nuclear test and repeated ballistic missile launches by North Korea in January and September, the importance of trilateral cooperation among Japan, the U.S. and the ROK was reconfirmed at the Summit Meetings and Foreign Ministers' Meetings between Japan and the U.S., and Japan and the ROK.

#### **G Information Security**

Information security plays a crucial role in advancing cooperation within the context of the alliance. The two countries have been continuously discussing ways to further improve information security systems, including introducing government-wide security clearances and further enhancing counterintelligence measures (designed to prevent information leaks through espionage activities).

#### **H Maritime Security**

In fora such as the ASEAN Regional Forum (ARF) and the East Asia Summit (EAS), Japan and the U.S. stress the importance of solving maritime issues in accordance with international law. The New Guidelines announced in April 2015 also provide that Japan and the U.S. will cooperate closely with each other on measures to maintain maritime order in accordance with international law, including the freedom of navigation.

#### **(3) Realignment of U.S. Forces in Japan**

In the "2+2" joint statement in April 2015, Japan and the United States

reaffirmed the two governments' continued commitment to implement the existing arrangements on the realignment of the U.S. Forces in Japan as soon as possible, while ensuring operational capability, including training capability, throughout the process. Also, on various occasions, the two governments have reaffirmed that the plan to construct the Futenma Replacement Facility (FRF) at the Camp Schwab-Henokosaki area and adjacent waters is the only solution to eliminate risks associated with MCAS Futenma as quickly as possible, and to realize the total return of MCAS Futenma, which is pending agenda for two decades, while maintaining the deterrence of the U.S. Forces. Japan and the U.S. will also continue to work closely on the steady implementation of the relocation of approximately 9,000 U.S. Marine Corps from Okinawa to outside the country such as Guam, which will begin in the first half of the 2020s, and on the return of land south of Kadena based on the April 2013 "Consolidation Plan for Facilities and Areas in Okinawa", including the projects announced in the December 2015 "Implementation of Bilateral Plans for Consolidating Facilities and Areas in Okinawa".

In December, the return of a major portion of the Northern Training Area (NTA, approximately 3,987 hectares) was realized, after 20 years of being a pending agenda since the 1996 Special Action Committee on Okinawa (SACO) Final Report. The returned land accounted for approximately 20% of the U.S. facilities and areas Forces in Okinawa and was a largest single land return since the reversion of Okinawa. This land return contributed not only to the impact mitigation but also to

the local development through the effective use of the returned land. The government will provide the maximum support, in light of the voices of the local communities, and make full consideration for the local living environment in cooperation with the U.S. Government.

The Government of Japan will continue to strive for mitigating the impact on Okinawa, while making all efforts to realize the return of MCAS Futenma as soon as possible, advancing its relocation to Henoko in accordance with the law.

#### (4) Host Nation Support (HNS)

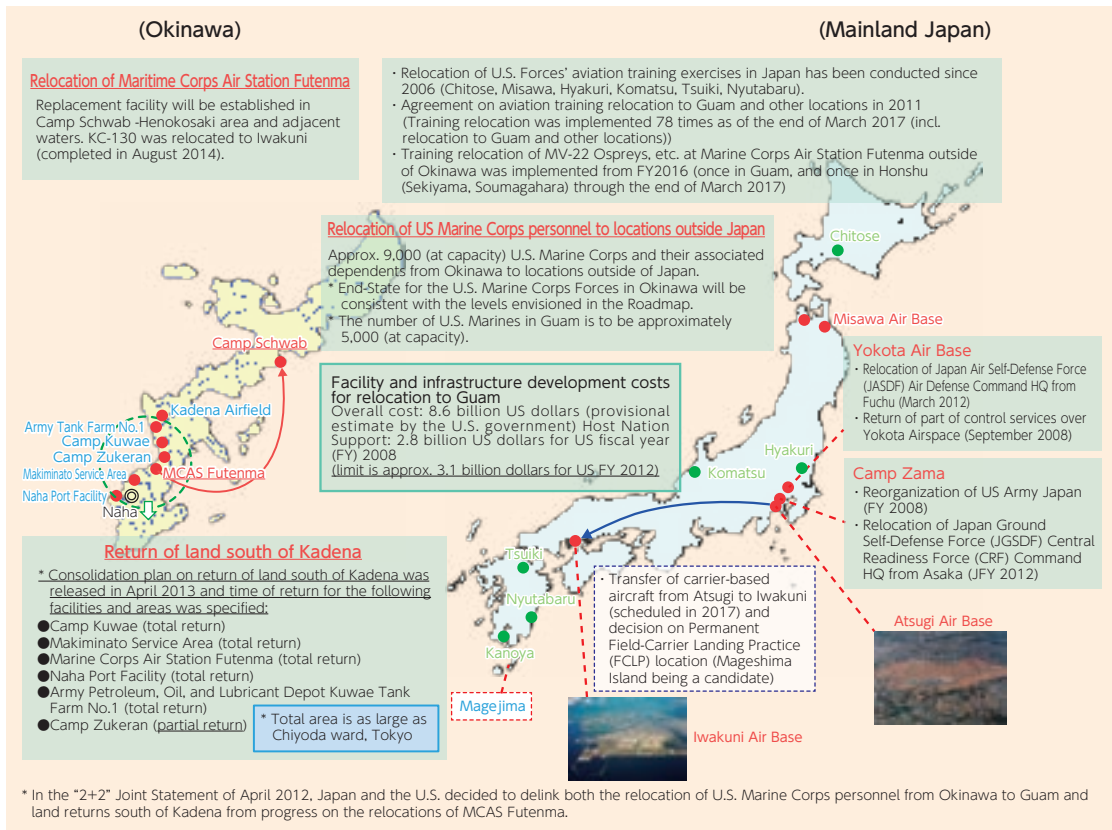
Under the security environment surrounding Japan which is becoming increasingly severe, from the standpoint that it is important to ensure smooth and effective operation of the USFJ, Japan bears the rent for USFJ facilities and areas and the Facility Improvement Program (FIP) funding stipulated within the scope of the Status of U.S. Forces Agreement. In addition to this, under the special measures agreements, Japan also bears labor costs, utility costs, and training relocation costs for U.S. Forces in Japan.

Based on the Japan-U.S. Status of Forces Agreement (SOFA) and special measures agreement that came into force on 1 April 2016, the Government of Japan bears Host Nation Support (HNS) from FY2016 to FY2020.

#### (5) Various Issues Related to the Presence of U.S. Forces in Japan

To ensure the smooth and effective operation of the Japan-U.S. security arrangements and the stable presence of U.S. Forces in Japan as the linchpin of these arrangements, it is important to mitigate

## Realignment of U.S. Forces in Japan



the impact of U.S. Forces activities on residents living in the vicinity and to gain their understanding and support regarding the presence of U.S. Forces. In particular, the importance of promoting mitigation of the impact on Okinawa, where U.S. Forces facilities and areas are concentrated, has been confirmed mutually by Japan and the U.S. on numerous occasions, including the Japan-U.S. summits, the "2+2" meetings, and the Japan-U.S. foreign ministerial meetings.

While continuing to work towards the realignment of U.S. Forces in Japan, Japan has been making its utmost efforts to make improvements in specific issues in light of the requests of local communities such as preventing incidents and accidents involving U.S. Forces, reducing the noise

impact by U.S. Forces aircraft, and dealing with environmental issues at U.S. Forces facilities and areas in Japan.

In response to the suspected murder by a civilian component of the U.S. Forces in Japan in April, both the Japanese and U.S. Governments engaged in discussions to establish effective measures to prevent the recurrence of such incidents. In July, they issued the "United States-Japan Joint Statement on Reviewing Implementation Practices of the Status of Forces Agreement (SOFA) Related to U.S. Personnel with SOFA Status, Including the Civilian Component." In this joint statement, the two governments declared their commitment to take steps to finalize and announce the respective detailed measures in areas including the clarification of the scope of the civilian

component.

Thereafter, based on this joint statement, the two governments continued to engage in intensive consultations. In December, they reached a substantive agreement on the Agreement on cooperation with regard to implementation practices relating to the civilian component of the U.S. Forces in Japan. This supplementary agreement was signed and entered into force in January 2017. It supplements and clarifies the scope of the civilian component set forth in SOFA through the form of an international commitment, and this was the second time that a supplementary agreement to the SOFA had been drawn up, following from the Agreement on Cooperation in the Field of Environmental Stewardship concluded in 2015. Through the steady implementation of this supplementary agreement, the Japanese government expects that Japan-U.S. cooperation is further promoted, and recurrence of incidents and accidents by civilian components is prevented through strengthening the management over the civilian component of U.S. Forces in Japan.

#### **(6) United Nations Command (UNC) and U.S. Forces in Japan**

As the Korean War broke out in June 1950, United Nations Command (UNC) was established in July of the same year based on UN Security Council Resolution 83 and Resolution 84. Following the ceasefire agreement concluded in July 1953, UNC Headquarters was relocated to Seoul in July 1957, and UNC (Rear) was established in Japan. UNC (Rear) placed in Yokota Air Base currently has a stationed commander and three other staff and military attaches from eight countries who are stationed at embassies in Tokyo as liaison officers for

UNC.

Based on Article 5 of the Agreement Regarding the Status of the United Nations Forces in Japan, UNC may use the U.S. Forces facilities and areas in Japan to the minimum extent required to provide support for military logistics for UNC. At present, UNC is authorized to use the following seven facilities: Camp Zama, U.S. Fleet Activities, Yokosuka, U.S. Fleet Activities, Sasebo, Yokota Air Base, Kadena Air Base, Futenma Air Station, and White Beach Area.

### **3 Global Security**

#### **(1) Regional Security**

The security environment surrounding the Asia-Pacific region is becoming increasingly severe due to various reasons such as the shift in the global balance of power. Meanwhile, it would be difficult to say that the framework of regional security cooperation is sufficiently institutionalized because of the diversity of political, economic and social systems in the region. Therefore, Japan makes efforts to realize a regional security environment desirable for Japan, by strengthening the Japan-U.S. Alliance, and by combining bilateral and multilateral security cooperation at multiple levels mainly in the Asia-Pacific region. Japan has also unveiled a new “Free and Open Indo-Pacific Strategy” (See Special Feature “Free and Open Indo-Pacific Strategy”), from the perspective of promoting the stability and prosperity of the extensive region stretching from the Asia Pacific Ocean, passing through the Indian Ocean, to the Middle East and Africa, by treating this region as an integrated whole and securing the free and open international

maritime order in the Indo-Pacific.

Based on this view, Japan is working to strengthen cooperative relationships in the security field with other countries sharing strategic interests. In relation to Australia, the two countries agreed to strengthen Japan-Australia and Japan-U.S.-Australia security and defense cooperation. During Prime Minister Abe's visit to Australia in January 2017, the new Japan-Australia Acquisition and Cross-Servicing Agreement (Japan-Australia ACSA) was signed in the presence of the leaders of the two countries.

In relation to the UK, as agreed at the 2nd Foreign and Defense Ministerial Meeting ("2+2") in January to further promote concrete cooperation in the areas of security and defense, the Royal Air Force including Typhoon fighter jets, visited Japan from October to November, and conducted a joint training with the Japan Air Self-Defense Force, which was the first-ever joint training in Japan for the Japanese side with a country other than the U.S. An ACSA between the two countries was signed in January 2017. In relation to France, in the 3rd "2+2" held in January 2017, the two countries concurred on commencing negotiations for an ACSA and affirmed that they would materialize defense equipment and technology cooperation, among others. In relation to the ROK, the "Agreement between the Government of Japan and the Government of the Republic of Korea on the Protection of Classified Military Information" was concluded in November based on the recognition that closer cooperation between Japan and the ROK is crucial amidst the growing threat posed by North Korea. In relation to ASEAN countries, Japan signed the "Agreement between the Government of

Japan and the Government of the Republic of the Philippines Concerning the Transfer of Defense Equipment and Technology" with the Philippines in February, and the two countries agreed on the transfer of Maritime Self-Defense Force TC-90 training aircraft in September. Furthermore, through efforts including the provision of patrol vessels, Japan continuously supports the effort toward enhancing maritime capability of the Philippines, Malaysia, Vietnam, and Indonesia. In relation to India, at the Japan-India Vice Foreign Minister-Foreign Secretary Level Dialogue (October) and the Japan-India Summit Meeting (November), the two countries welcomed the entry into force of the "Agreement between the Government of Japan and the Government of the Republic of India Concerning the Transfer of Defense Equipment and Technology" and the "Agreement between the Government of Japan and the Government of the Republic of India Concerning Security Measures for the Protection of Classified Military Information," and shared the recognition that the development of the Indo-Pacific region as a free and open region is vital to the stability and prosperity of the entire region.

In addition to the strengthening of bilateral cooperative relations mentioned above, Japan has also been promoting cooperation in trilateral frameworks, such as the Japan-Australia-India Trilateral Dialogue Senior Officials Meeting (February), the Japan-U.S.-ROK Trilateral Summit Meeting (March), Japan-U.S.-India Senior Officials Meeting (June), and the Japan-U.S.-Australia Trilateral Ministerial Strategic Dialogue (July), to build a network for the peace and prosperity in the region

with the Japan-U.S. Alliance as a linchpin.

Furthermore, for the stability of the security environment surrounding Japan, it is also important to promote relationship of trust with China and Russia. The Japan-China relationship is one of the most important bilateral relationships, and Japan will further promote “Mutually Beneficial Relationship Based on Common Strategic Interests.” However, China’s rapid move to strengthen its military capabilities in a wide range of areas, which lacks transparency, and its expanded and intensified activities at sea and in the air, are matters of concern for the region. With regard to these issues, Japan is exploring opportunities for cooperation with China in the areas of security and defense, while at the same time encouraging China to increase transparency of its security policy and comply with the international code of conduct. Against such backdrop, in November we held the Japan-China Security Dialogue. Japan is also energetically continuing negotiations with Russia through political dialogues, holding four summit meetings and three foreign ministers’ meetings in 2016, with the aim of concluding a peace treaty on the basis of solving the issue of the attribution of the Four Northern Islands. In the area of security, the Japan-Russia security discussion was held in July, and at the summit meeting held in December, the two countries concurred on continuing defense exchanges and bilateral dialogues between the Security Councils of both sides.

Furthermore, Japan held the 15th Politico-Military (PM) Dialogue with Germany (June), the 19th PM Dialogue with France (July), the 13th PM Dialogue with Thailand (August), the 15th PM Dialogue with the UK (October), and the

9th PM Dialogue with Canada (December) respectively. Japan also held the first Security Dialogue with Kuwait (March), the 2nd Security Dialogue with Saudi Arabia (November), the 2<sup>nd</sup> Security Dialogue with Qatar and the 3rd Security Dialogue with Bahrain (December). It also held the 3rd Politico-Military-Security (PM) Dialogue with Mongolia (January), and the 14th Japan-NATO High-Level Consultations (February).

In addition, Japan has actively participated in and contributed to multilateral frameworks, including the East Asia Summit (EAS), the ASEAN Regional Forum (ARF) and the ASEAN Defense Ministers’ Meeting-Plus (ADMMPlus) in order to strengthen cooperation in the security area in the region. Among these, the ARF aims at improving the security environment of the Asia-Pacific region through dialogues and cooperation on political and security issues. The ARF is an important security dialogue framework in which various countries and regions including North Korea and the EU participate. It is also an important forum in promoting security cooperation in that it focuses on confidence building through various initiatives. In July, the 23rd ARF Ministerial Meeting was held. In addition to candid exchanges of views, primarily on regional and international affairs including the South China Sea and North Korea, the “ARF Ministerial Statement on Recent Tragic Terrorist Attacks” was adopted at Japan’s proposal, in which the countries affirmed their commitment to continue cooperating on counter-extremism measures. Today, the ARF has evolved beyond the framework of traditional security, and is recognized as a forum that is appropriate for the candid exchange of opinions about



non-traditional security issues including terrorism, refugees, and climate change. Japan is making a proactive contribution through, for example, taking a leading role as a co-chair in the Inter-Sessional Meeting (ISM) on Maritime Security (from summer 2014 to summer 2017) and Disaster Relief (from summer 2013 to summer 2016). In this regard, Japan hosted the ISM on Maritime Security in Tokyo in February 2017.

Furthermore, in addition to government-to-government dialogues (track 1), Japan actively utilizes frameworks in which people from both public and private sectors participate (track 1.5) as a forum for exchanging opinions and explaining its security policies. Japan participates in various conferences, including the Munich Security Conference (MSC), the Asia Security Summit (Shangri-La Dialogue), and the Regional Security Summit (Manama Dialogue) to promote understanding of other countries on Japan's security policy, and to promote cooperation and confidence-building.

## **(2) Peacekeeping and Peacebuilding**

### **A On-the-Ground Initiatives**

#### **(A) UN Peacekeeping Operations (UN PKOs)**

Traditionally, UN PKOs are positioned between parties to a dispute, and by monitoring ceasefires and the withdrawal of troops, they help calm the situation or prevent the recurrence of hostilities with the aim to support the settlement of the dispute through dialogue between the parties involved. However, following the changes in the international environment since the end of the Cold War, including an increase in civil wars, UN PKOs have multifaceted mandates in addition to its

traditional mandates such as monitoring of ceasefires. These new mandates include support in Disarmament, Demobilization, and Reintegration (DDR) of ex-combatants, security sector reform, elections, human rights, and the rule of law as well as the promotion of the political process and the protection of civilians. As of the end of February 2017, 16 UN PKO missions were deployed, primarily in the Middle East and Africa, with a total of over 100,000 military, police and civilian personnel deployed to these missions. In response to the increasing complexity and scale of the mandates and the associated shortages of personnel, equipment, and financial resources, discussions on more effective and efficient implementation of UN PKOs are underway in various forums, primarily within the UN.

Japan places a high priority on cooperation with UN PKOs under the policy of "Proactive Contribution to Peace" based on the principle of international cooperation. Based on the Act on Cooperation with UN Peacekeeping Operations and Other Operations (PKO Act), Japan has dispatched approximately 11,500 personnel (as of February 2017) to a total of 13 UN PKO missions since 1992. Japanese staff officers have been dispatched to the UN Mission in South Sudan (UNMISS) since 2011, while Engineering Units have been dispatched there since 2012. The Engineering Units in Juba and the South Sudanese capital have undertaken such activities as supporting displaced persons through the provision of water supplies as well as site preparation. Five years since its independence, large-scale clashes such as the one that took place in Juba, in July 2016, South Sudan still faces major challenges. As efforts to

promote peace and stability in South Sudan through the activities of UNMISS remain important, Japan continues its contribution to the activities of UNMISS through the dispatch of Japanese personnel. Then in November 2016 a Cabinet decision was made to revise the implementation plan to enable the engineering unit to come to the aid of individuals engaging in activities related to UN peacekeeping operations, upon urgent request. In March 2017, among the dispatched Japanese personnel to UNMISS, Japan decided to conclude the activities of the engineering unit by the end of May 2017.

### **(B) ODA and other cooperation to facilitate peacebuilding**

Japan attaches importance to peacebuilding as part of its international cooperation and it is positioned as one of the priority issues in Japan's Development Cooperation Charter.

As well as prevention of conflict and emergency humanitarian aid, peacebuilding requires comprehensive efforts including support for end of conflict, consolidation of peace, and nation-building as well as cooperation with diverse actors including international organizations. Based on the viewpoint of human security, Japan has been providing support for peacebuilding, particularly in the following countries and regions.

#### **(1) Afghanistan**

One of the most important issues for the peace and security of both the international community and Japan is to support Afghanistan's self-reliance and the stability of the region including Afghanistan and to prevent Afghanistan from stepping back to a hotbed of terrorism. Since 2001, Japan

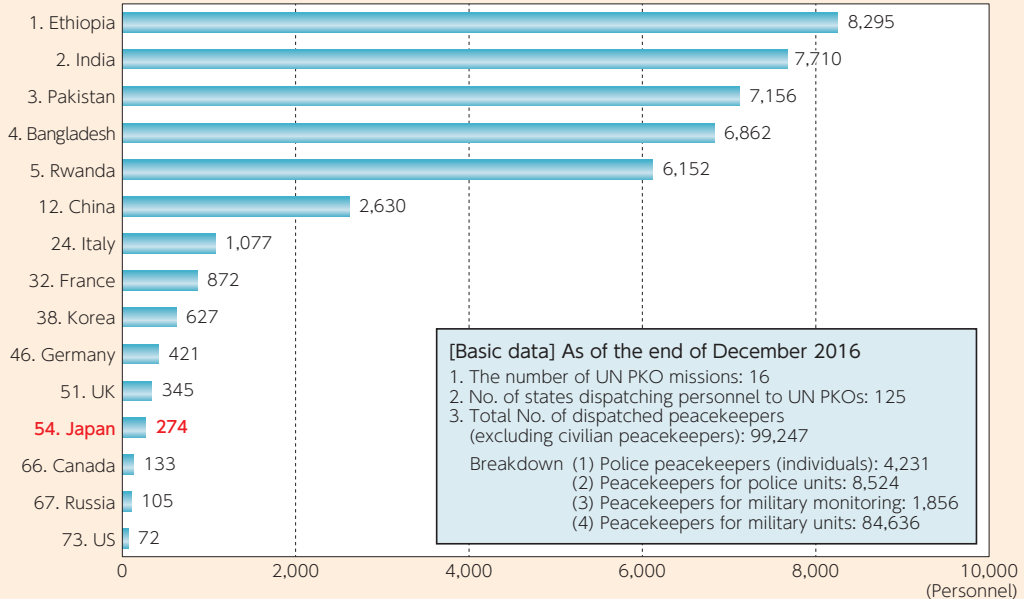
has provided assistance worth 6.2 billion US dollars to secure the independence self-reliance and stability of Afghanistan, in cooperation with international organizations.

At the Brussels Conference on Afghanistan held in October, the government of Japan expressed its intention to continue assistance worth up to 40 billion Japanese yen annually for four years from 2017 to 2020 based on the principle of mutual accountability whereby the international community's ability to sustain support for Afghanistan depends upon the Afghan government delivering on its reform commitments.

#### **(2) Africa**

Despite the fact that many countries in Africa have achieved economic progress, many issues remain including political problems that stemmed from a long period of colonial rule, social issues such as conflicts between tribes and religious groups, and socio-economic problems such as high unemployment rates, poverty and income disparity, and inadequate basic social services. In recent years, the intensification of activities by violent extremist groups as well as the resulting damage and refugee/internal displacement problems have become increasingly serious. In light of this, in cooperation with international organizations, Japan has been providing support for sustainable self-reliance and democratic and inclusive society building, and contributing to the realization of peace and stability in Africa through measures such as providing opportunities for basic education and vocational training, promoting social cohesion, and strengthening of the country's fundamental capabilities by utilizing Japan's knowledge

## Peacekeepers for military and police units under the UN mission



Note : Based on the PKO Law, Japan has been dispatching approximately 360 peacekeepers to UNMISS (South Sudan). However, out of those dispatched from Japan, the number of peacekeepers who are not funded by the UN is not included in the UN statistics data for peacekeepers.

Source : UN websites, etc. (military and police personnel: as of December 2016, civilian personnel: as of July 2016)

and experience.

For example, Japan has been providing support to PKO training centers operated by Africa to a value exceeding 42 million US dollars for a total of 13 facilities by 2016. Since 2014, Japan has also been implementing the training course “Criminal Justice for French Speaking African Countries” in eight countries in Africa (Côte d’Ivoire, Democratic Republic of the Congo, Senegal, Chad, Niger, Burkina Faso, Mali, and Mauritania), targeting those who belong to the field of criminal justice. This training course aims to improve criminal investigation standards in the target countries, and to ensure the protection of the human rights of suspects. The course contributes to human resource development through capacity building in the field of criminal investigations, prosecution, administration of justice, and



Democratic Republic of the Congo, The Project for Professionalization of the Police for the Population and Peace (Photo: JICA)

counter-terrorism in the target countries. In addition, in several countries including Kenya, Nigeria, and Rwanda, Japan has provided equipment (face-recognition and fingerprint authentication systems, etc.) produced by Japanese companies to improve capacity for security maintenance and border control.

During the open debate of the UN

Security Council, “Peacebuilding in Africa,” Foreign Minister Kishida declared Japan’s assistance towards improving capacity for counter-terrorism in Africa (assistance amounting to a total of 120 million US dollars from 2016 to 2018, which includes human resource development for 30,000 people). At the Sixth Tokyo International Conference on African Development (TICAD VI) held in August 2016, Prime Minister Abe announced the provision of assistance of approximately 500 million US dollars (approximately 52 billion yen) as well as human resource development for about 9.6 million people, including vocational training for 50,000 people, towards a peaceful and stable Africa. Through these efforts, Japan will continue contributing to realize such a peaceful and stable Africa.

### **B Initiatives within the UN**

Many regional conflicts and civil wars are rekindled even after the conflict has ended. Hence, it is extremely important to provide appropriate support in the post-conflict period. Based on this understanding, the Peacebuilding Commission (PBC) was established in 2005 with the aim of offering advice on integrated support from conflict resolution to recovery, reintegration, and reconstruction. Working closely with the UN Security Council, General Assembly, and other UN institutions, the PBC has provided advice to six countries (Burundi, Sierra Leone, Guinea Bissau, the Central African Republic, Liberia, and Guinea) in order to identify the priority issues in peacebuilding and formulate strategies to support the implementation.

Japan has been a member of PBC since its founding and has been contributing

to the organization as the chair country from 2006 to 2008 and as the chair of the Working Group on Lessons Learned from 2011 to 2015.

In 2015, the United Nations Peacebuilding Architecture, including the PBC, was reviewed. During this process, a report by the Secretary-General’s Advisory Group of Experts, which pointed out the need to further strengthen cooperation with other institutions such as the UN Security Council, was submitted to the President of the General Assembly and the President of the UN Security Council. Through the discussions carried out based on this, the General Assembly Resolution (A/RES/70/262) and Security Council Resolution 2282 were adopted in April 2016.

Japan has also been actively engaged in the activities of the Peacebuilding Fund (PBF) which was established around the same period as the PBC. As of December 2016, it has contributed a total of 46 million US dollars and ranks sixth among the major donor countries. Foreign Minister Kishida attended the PBF Pledging Conference held during the high-level meetings of the UN General Assembly in September and emphasized the importance of using innovative approaches such as cooperation among industry, government, and academia to secure funding in the future. At the same time, he announced that Japan will contribute about 10 million US dollars in the coming years.

### **C Human Resource Development**

#### **(A) The Program for Global Human Resource Development for Peacebuilding and Development**

While civilian experts with a high level

of skill and expertise have a substantial role to play in the field of post-conflict peacebuilding, the number of those who are capable of fulfilling the role are insufficient, and consequently, the development of personnel has become a major challenge. Japan has been implementing programs for human resource development in order to cultivate civilian experts in Asia, Africa, and the Middle East who can play a leading role in the field of peacebuilding and development. As of the end of the FY 2016, a total of 643 people have been trained. The trainees who completed the programs have gone on to play an active role in the field of peacebuilding and development worldwide in such countries as South Sudan and Afghanistan, and have received high acclaim from both the UN and other countries.

In the FY 2016 program, training courses for younger personnel, as well as for training courses for mid-career practitioners and one-to-one career development support, were implemented.

### **(B) Training for United Nations Peacekeepers**

Japan has been supporting peacekeepers from various countries participating in UN PKOs to enhance their capabilities. From June to October, instructors from the Self Defense Forces were sent from Japan to provide training on the operation and maintenance of heavy engineering equipment to instruct operators in countries that have expressed their intention to dispatch engineering units to United Nations peacekeeping operations (the UN

Project for African Rapid Deployment of Engineering Capabilities (ARDEC)). In addition to financial support, Japan also engages in dispatching instructors and other personnel to PKO Training Centers in Asia and African nations.

### **(3) Initiatives to Combat Security Threats**

#### **A Countermeasures against Terrorism and Violent Extremism**

Japan is actively working to promote countermeasures against terrorism and violent extremism in collaboration with the international community.

Firstly, Japan has reaffirmed to cooperate with the international community through various multilateral frameworks, including the United Nations, ASEAN Regional Forum (ARF), Asia-Pacific Economic Cooperation (APEC), ASEAN, Asia-Europe Meeting (ASEM), and the Global Counterterrorism Forum<sup>4</sup>. In particular, at the Japan-ASEAN Summit Meeting held in September, Japan announced that it would play a leading role in making “Asia resilient to terrorism”, and to that end, it would provide approximately 45 billion yen over the next three years for Asia to put in place comprehensive counter-terrorism measures consisting of: (1) Improvement of counter-terrorism capacity; (2) Measures to counter violent extremism conducive to terrorism; and (3) Social and economic development assistance for creating a foundation for a moderate society. In addition, Japan will help to develop 2,000 personnel for counter-terrorism over the next three years. Efforts are currently underway toward the

<sup>4</sup> The Global Counterterrorism Forum was Proposed by the U.S. as a new multilateral framework to counter-terrorism, and established in September 2011. The objective is to share the experiences, knowledge, and best practices (successful examples) of practitioners, and provide support for capacity building in areas such as the rule of law, border control, and violent extremism countermeasures. 29 countries, including the G7, as well as EU, are members (the United Nations is a partner).

implementation of these plans.

At the G7 Ise-Shima Summit in May, Japan, as the G7 presidency, took the lead in releasing the “G7 Action Plan on Countering Terrorism and Violent Extremism.” Japan also announced that it would provide a total of about 6 billion US dollars over three years for addressing the root causes of refugee and terrorism including human resource development and social stabilization. Japan is currently working on the implementation of these initiatives.

In addition, Japan held counter-terrorism consultations with Tunisia, Russia, the ROK, China, the U.S., Australia, and Belgium, and affirmed its commitment toward strengthening cooperation and exchanging information on the state of terrorism.

Japan also contributes actively to enhancing counter-terrorism and security capacities, as well as to countering violent extremism, which is the root cause of terrorism, in various countries. In relation to the former, Japan provides training programs and equipment for law-enforcement agencies in areas such as border control at airports, criminal justice including investigation and prosecution, and offender treatment, as well as development of legal systems and counter-terrorism financing measures including money laundering and organized crime. The final report of the Meeting of the Council on Safety Measures for International Cooperation Projects, published in August, also clearly states that Japan will provide support for the capacity building of security authorities in developing countries. In relation to the latter, Japan provides support toward strengthening response from the perspective of criminal justice, and toward initiatives by civil

society to prevent violent extremism. It is steadily implementing these measures, including by ensuring necessary budget for urgent needs.

In 2016, workshops were organized for relevant government officials and other personnels involved in counter-terrorism in countries in Asia and Africa. Japan also contributed actively, allocating funds of about 13 million US dollars (supplementary budget for FY2015) to international organizations and funds, including the United Nations Office on Drugs and Crime (UNODC) and the Global Community Engagement and Resilience Fund (GCERF), and providing Japan's knowhow toward the operation and implementation of related projects.

### **B Criminal Justice Initiatives**

The UN Congress on Crime Prevention and Criminal Justice and the Commission on Crime Prevention and Criminal Justice are the core bodies in shaping policy on crime prevention and criminal justice in the international community. At the 25th Commission on Crime Prevention and Criminal Justice (CCPCJ) held in May, Japan submitted a resolution concerning preparations for the 14th UN Congress on Crime Prevention and Criminal Justice that will be held in Japan in 2020. Japan also supported prison reform in Myanmar, and the improvement of prosecution capabilities in Southeast Asia, by funding the UN Crime Prevention and Criminal Justice Fund of the UNODC. With regard to measures against cybercrime, Japan, the U.S., Australia and the UNODC are working together to organize a capacity building workshop for law-enforcement authorities from ASEAN countries.

Furthermore, Japan is undertaking deliberations concerning the conclusion of the UN Convention against Transnational Organized Crime and its supplementary protocols, in order to prevent and promote cooperation to fight against transnational organized crime by establishing a global legal framework to tackle transnational organized crime.

### **C** Anti-corruption Measures

As the G7 Presidency, Japan played a leading role in formulating the “G7 Action to Fight Corruption,” which is the G7’s output concerning anti-corruption measures. Within the context of the G20 framework and primarily through the G20 Anti-Corruption Working Group, Japan was involved in the formulation of “G20 Anti-Corruption Action Plan 2017-2018,” which also serves as the action guidelines for anti-corruption measures by the G20 in the next two years.

The OECD Working Group on Bribery monitors the “Convention on Combating Bribery of Foreign Public Officials in International Business Transactions” to prevent and combat the bribery of foreign public officials, and Japan is an active participant in this program. Japan has also supported the ADB/OECD Anti-Corruption Initiative promoted jointly by the Asian Development Bank (ADB) and the Organization for Economic Co-operation and Development (OECD) as part of its contributions toward enhancing anti-corruption measures in the region.

In addition, Japan is undertaking deliberations concerning the conclusion of the UN Convention against Corruption (UNCAC), which prescribes measures to effectively address such corruption as bribery and embezzlement of property by public officials, as well as international cooperation. In 2016, Japan contributed about 100,000 US dollars to UNODC projects to support efforts to promote the UNCAC.

### **D** Measures to Combat Money Laundering and the Financing of Terrorism

In terms of measures to combat money laundering and the financing of terrorism, Financial Action Task Force (FATF)<sup>5</sup> has been leading global discussions concerning the international standards that countries should implement, as well as examining measures from new perspectives. As a founding member, Japan has actively participated in these discussions. To promote international efforts to stop money laundering and stem the flow of funds to terrorists, Japan provides assistance to Iran toward capacity building in the area of supporting the development of legal systems, in cooperation with the UNODC.

### **E** Measures to Combat Trafficking in Persons

Japan has strengthened its domestic mechanisms to combat trafficking in persons, and also proactively provides assistance to developing countries based

<sup>5</sup> It is an international framework established by the G7 Arche Summit (in France) in 1989 for the purpose of promoting effective measures to combat international money laundering. 34 countries and regions, including the G7, and two international organizations participated. FATF Recommendations are recognized as the international standards that the states shall implement for combating money laundering and the financing of terrorism and of the proliferation of weapons of mass destruction. The FATF also monitors the progress of its members in implementing measures, and identifies jurisdictions that have deficiencies and risk of money laundering and financing of terrorism.

on “Japan’s 2014 Action Plan to Combat Trafficking in Persons.” This Action Plan was developed in order to effectively tackle trafficking in persons, which involves increasingly sophisticated and latent methods in recent years. In June, as the first cooperative project between Japan and the ASEAN Intergovernmental Commission on Human Rights (AICHR) in the field of trafficking in persons, a workshop on effective communication strategies to combat trafficking in persons was held at Nha Trang (Vietnam), through the utilization of the Japan-ASEAN Integration Fund (JAIF) 2.0. Japan also dispatched experts to this workshop. In December, a Government Delegation on Anti-Human Trafficking Measures was dispatched to Italy for the first time. The delegation had discussions with the relevant ministries of the Italian government about the current situation of trafficking in persons and its countermeasures under the refugee/migration crisis that have arisen in recent years. Through these discussions, Japan and Italy renewed their determination to eradicate trafficking in persons. In 2016, Japan has continued to provide assistance for the repatriation and social rehabilitation program for foreign victims of trafficking in persons protected in Japan, through funding to International Organization for Migration (IOM). Japan also funded training programs to law-enforcement authorities in Southeast Asian countries through projects organized by UNODC.

#### **F** Measures to Combat Illicit Drug Trafficking

In April, the UN General Assembly Special Session on Drugs (UNGASS) was held at the UN Headquarters in New York

for the first time in 18 years. State Minister for Foreign Affairs Kihara attended the session as the head of the government delegates from Japan. The importance of putting in place countermeasures against new psychoactive substances (NPS) and amphetamine-type stimulants (ATS), including methamphetamine, which Japan places much focus on, was also incorporated into the “Joint Commitment to Effectively Addressing and Countering the World Drug Problem,” which was the outcome document adopted at this Session.

In 2016, Japan assisted the Asia-Pacific countries in analyzing the trend of synthetic drugs and conducted a monitoring of illicit poppy opium cultivation in Myanmar under the cooperation with the UNODC. In Afghanistan and its neighboring countries, Japan provided around 5 million US dollars to the UNODC, and proactively supported the efforts of these countries, through strengthening border control, supporting illicit drug eradication and alternative crop development, helping women suffering from drug addiction, and combatting smuggling.

#### **(4) The Oceans and Seas**

Japan is a maritime nation that has achieved economic growth through maritime trade and development of marine resources, and has pursued “Open and Stable Seas.” For Japan, maritime rights and interests, which are the basis for economic survival including the freedom of navigation and overflight, and development of marine resources, are of great importance toward securing peace and security. To ensure these maritime rights and interests in the long-term and a stable manner, it is indispensable to maintain a maritime order and ensure safe maritime transport.



Furthermore, “Open and Stable Seas”, which are upheld by a maritime order governed by law and rules and not by force, are essential for peace and prosperity not only of Japan, but also of the international community as a whole. To maintain and develop “Open and Stable Seas”, Japan contributes actively to maintaining a maritime order and ensuring safe maritime transport.

However, in recent years, there are an increasing number of cases where interests of countries clash with each other from the perspective of securing resources and national security. In particular, there are an increasing number of cases of friction and tension between countries in the seas of Asia, and the international community is closely monitoring these cases with much interest. Against this background, based on the recognition that it is necessary to fully uphold the “Three Principles of the Rule of Law at Sea” advocated by Prime Minister Abe at the Shangri-La Dialogue in May 2014, Japan, which holds the G7 presidency in 2016, issued the “G7 Foreign Ministers’ Statement on Maritime Security” at the G7 Foreign Ministers’ Meeting held in Hiroshima in April. This statement reaffirmed that the principles such as the freedom of navigation and overflight, compliance with international law, and peaceful settlement of disputes are common interests shared by the G7. It also affirmed the importance of international cooperation to address the threats of piracy and other maritime activities which threaten global stability, safety, and prosperity, and cooperation on maritime science including effective Maritime Domain Awareness (MDA). At the G7 Ise-Shima Summit in May, the members of the G7 were united in issuing

a message on the importance of the “Three Principles of the Rule of Law at Sea” to the international community, which received strong support. In December, following up on the meeting held in Germany in the previous year, Japan hosted the Second G7 High-Level Meeting on Maritime Security in Tokyo as part of its efforts to maintain the maritime order and ensure safe maritime transport. Furthermore, outside the framework of the G7, Japan has also utilized forums that are related to the East Asia Summit (EAS), including the ARF Inter Sessional Meeting on Maritime Security and the Expanded ASEAN Maritime Forum (EAMF), to actively show the importance of “Open and Stable Seas” and disseminate Japan’s stance and initiatives in the area of maritime security.

Combining various assistances including Official Development Assistance (ODA), capacity building assistance by the Ministry of Defense and Self-Defense Forces, and defense equipment and technology cooperation, Japan seamlessly supports coastal states mainly in Asia and Africa to enhance maritime law enforcement capabilities through providing patrol vessels, technical cooperation and human resource development, among other forms of assistance. In this way, Japan has been contributing to establishing and promoting the rule of law at sea.

### **A** Order at Sea

#### **(A) United Nations Convention on the Law of the Sea (UNCLOS) and related Japanese Initiatives**

Also known as the “Constitution for the Seas,” UNCLOS is the very basis of a maritime order governed by law and rules. The Convention comprehensively

provides principles governing uses of the sea, including the freedom of navigation and overflight over the high seas. It also stipulates the rights and obligations under international law on the development of marine resources and so on. Furthermore, this Convention led to the establishment of international organizations such as the International Tribunal for the Law of the Sea (ITLOS), the Commission on the Limits of the Continental Shelf (CLCS), and the International Seabed Authority (ISA). This Convention has been ratified by 167 countries including Japan (including some not recognized by Japan) and by the EU. As a leading maritime nation, Japan regards a maritime order, with the Convention at the core, as the cornerstone to ensure Japan's maritime rights and interests and facilitate maritime activities. As such, Japan actively contributes to discussions at conferences including the Meetings of States Parties to the Convention and to the activities by international organizations in order to ensure that the Convention will be even more widely applied and implemented appropriately. Furthermore, Japan has done its utmost to build, maintain, and develop a fair maritime order under the Convention, by various means such as holding international symposiums on the law of the sea where eminent Japanese and foreign experts are invited. (see 3-1-6.)

**(B) A Challenge to the Maritime Order and Response by Japan and International Community (see 1-1(2), 2-1-2(1) and 2-1-6)**

**a Situations surrounding the East China Sea**

In the East China Sea, Chinese government-owned vessels have continued to intrude into Japan's territorial waters

around the Senkaku Islands at the same frequency in 2016 as in the past. In particular, many Chinese public vessels surged into the waters around the Senkaku Islands in August, and repeatedly intruded into Japan's territorial waters. Furthermore, in June 2016, a military vessel of the Chinese Navy was also confirmed to have entered the contiguous zone of the Senkaku Islands for the first time. In addition, China has been continuing unilateral resource development in the Exclusive Economic Zone and on continental shelves in areas pending delimitation. In recent years, many cases of survey activities conducted without Japan's consent in the waters surrounding Japan have been confirmed, including the East China Sea, as well as survey activities of a nature that are different from that to which Japan has consented. Given that the situation in the East China Sea has not improved, Japan continues to respond in a firm but calm manner while making claims that should be made.

**b Issues surrounding the South China Sea**

In the South China Sea, China has been further taking unilateral actions that change the status quo and increase tensions such as large-scale and rapid land reclamation, building of outposts as well as their use for military purposes, and attempts to create a *fait accompli*. Many countries including Japan have expressed concern over such China's actions. While Japan welcomes dialogues between China and ASEAN about the issue of the South China Sea, these should be held based on international law and the premise of maintaining self-restraint and non-militarization on the ground. With regard to the arbitration proceedings based on UNCLOS concerning the conflict between the Philippines and

China over the South China Sea, lodged by the government of the Philippines, the Arbitral Tribunal made its final arbitral award on July 12, 2016. On the same day, the Foreign Minister released a statement which explains that Japan has consistently advocated the importance of the rule of law and the use of peaceful means, not the use of force or coercion, in seeking settlement of maritime disputes and that as the Tribunal's award is final and legally binding on the parties to the dispute under the provisions of UNCLOS, the parties to this case are required to comply with the award. and expressed Japan's strong expectation that the parties' compliance with this award will eventually lead to the peaceful settlement of disputes in the South China Sea.

Japan has a high interest regarding the issues over the South China Sea as it relies on marine transportation for most of resources and energy, and attaches importance to the freedom of navigation and overflight in the South China Sea, as well as security of sea lanes of communication. The international community is called upon to cooperate in order to maintain and develop "Open and Stable Seas."

### **B Ensuring Safe Maritime Transport**

Japan actively contributes to ensuring the freedom of navigation and overflight and safe maritime transport, through anti-piracy measures in Asia and Africa, as well as close partnership and cooperation with other countries.

### **(A) Anti-piracy measures off the coast of Somalia and in the Gulf of Aden**

#### **a Current status of piracy and armed robbery cases**

According to the International Maritime Bureau (IMB) of the International Chamber of Commerce (ICC), the number of piracy and armed robbery cases (hereinafter referred to as the "piracy cases") off the coast of Somalia and the Gulf of Aden was 237 at its peak in 2011, but then dropped to zero in 2015 and two in 2016. It is due to maritime law enforcement activities of respective navies and self-defense measures adopted by merchant ships. However, root causes of piracy off the coast of Somalia remain unresolved. Thus, the situation could easily revert if the international community were to halt its efforts.

#### **b Extension of anti-piracy operations and record of escort activities**

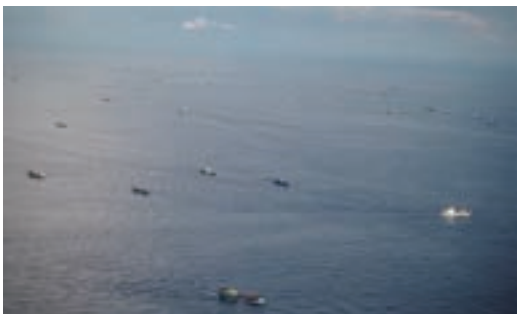
Since 2009, Japan has been conducting anti-piracy operations by deploying Maritime Self-Defense Force destroyers (with coast guard officers on board) and P-3C maritime patrol aircraft to the Gulf of Aden. On November 1, 2016, the Government of Japan decided to continue anti-piracy operations based on the Act on Punishment and Countermeasures against Piracy for another year. The deployed destroyers protected 114 merchant ships on 72 escort operations between January and December 2016, while the P-3C maritime patrol aircraft carried out 233 mission flights, in which they conducted surveillance, information gathering and provided information to naval vessels of other countries.

#### **c Promotion of international cooperation in anti-piracy measures**

Japan has been making multi-layered



Uotsuri Island, Senkaku Islands (Photo: Cabinet Public Relations Office)



Swarm of Chinese fishing vessels (Photographed on August 6 Photo: Japan Coast Guard)



Chinese Government vessels and fishing vessels (Photographed on August 6 Photo: Japan Coast Guard)

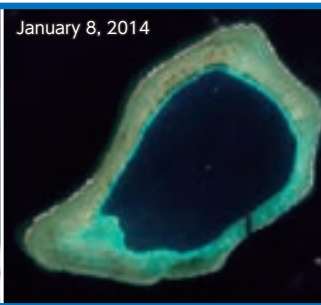
**Fiery Cross Reef**

**Subi Reef**

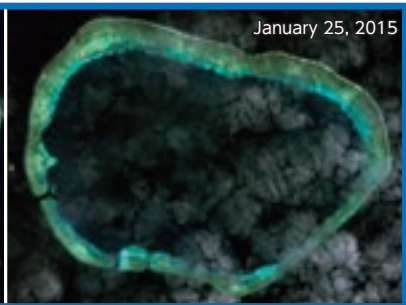
**Mischief Reef**



August 14, 2014



January 8, 2014



January 25, 2015



March 9, 2017



March 14, 2017



March 11, 2017

source: <http://amti.csis.org/> etc.

efforts, including support for enhancement of maritime law enforcement capacity of Somalia and neighboring countries as well as for stability of Somalia, in order to solve root causes of piracy off the coast of Somalia. Japan has assisted the establishment of Information Sharing Centres in Yemen, Kenya, and Tanzania, as well as the construction of a training center in Djibouti for capacity building of the region through contributing 14.6 million US dollars to a fund established by the IMO. Moreover, Japan has contributed 4.5 million US dollars to an international trust fund managed by the UN Development Programme (UNDP), through which it assists Somalia and neighboring countries in improving courts and training judicial officers, as well as repatriation to Somalia of those found guilty of piracy in the neighboring countries including Seychelles. In December 2015, Japan provided two patrol vessels to the Djibouti Coast Guard, to which the Japan International Cooperation Agency (JICA) has extended technical assistance for capacity building. With a view to promoting stability in Somalia, Japan has provided a total of 410.34 million US dollars since 2007 aimed at improvement of public security, humanitarian aid, employment creation, and support for the police.

### **(B) Anti-piracy measures in Asia**

To encourage regional cooperation in the fight against piracy cases in Asia, Japan was at the forefront of efforts to formulate the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP), which entered into force in 2006. Each of the contracting parties provides information regarding piracy cases and cooperate via

the Information Sharing Centre (ReCAAP-ISC) established in Singapore under the Agreement. Japan supports the activities of ReCAAP-ISC by sending its Executive Director and an Assistant Director, in addition to the provision of financial support. Such efforts by Japan to counter piracy in Asia have been highly appraised internationally.

According to figures released by IMB, the number of piracy cases in the seas of Southeast Asia was 68 in 2016. In recent years, serious cases have occurred and there is an increasing concern about it, including the abduction of the crew of small tankers navigating in the sea or anchored at the harbor.

### **(5) Cyber**

Year by year, as cyber space is becoming an essential platform for people's socioeconomic activities, the scale and the influence of cyber attacks are expanding. In recent years in particular, the scale of DDoS (distributed denial of service) attacks has reached an unprecedented level, and critical infrastructure has become the target of attacks. Thus, the threat of cyber attacks is becoming more serious.

Japan is no exception, and has been increasingly exposed to the cyber threats. For instance, the Japan Pension Service suffered cyber attacks in which approximately 1.25 million cases of personal information were stolen. With the Tokyo Olympic and Paralympic Games to be held in 2020, the cybersecurity issue proves to be an urgent priority for Japan.

Cyber attacks are characterized as being highly anonymous, causing a significant impact in a short period of time, being less affected by geographical constraints and

easily crossing national borders. For this reason, cyber security is an issue that is difficult for a single country to address alone. As such, coordination and cooperation of the international community are essential.

As a result, based on the “Cybersecurity Strategy”, which was adopted by the Cabinet in September 2015, the Government of Japan has advanced efforts, including contributing to the making of international rules, promoting cooperation and confidence-building among other countries, enhancing countermeasures against cybercrimes, and supporting capacity building.

In respect of developing international rules, from its standpoint that existing international law is applicable to cyber activities, Japan has taken active roles in discussions in the international community through the United Nations Group of Governmental Experts (UN-GGE) and other forums.

Regarding promoting cooperation and confidence-building with other countries, Japan has held consultations and dialogues with countries and organizations, including the U.S., the UK, France, Australia, Israel, Estonia, Russia, EU, and ASEAN. On top of that, Japan has newly held consultations and dialogues with Germany, the ROK, and Ukraine. Furthermore, Japan participated in a workshop held in March on cyber confidence-building measures organized jointly by EU and Malaysia, within the framework of the ARF. At the G7 Ise-Shima Summit held in May, a new G7 working group on cyber (Ise-Shima Cyber Group (ISCG)) was decided to be established.

Its first meeting was held in Tokyo in October. Through these talks, Japan exchanges information about cyber-related policies and initiatives, deepens mutual understanding, enhances cooperation and fosters confidence-building with other countries.

Regarding countermeasures against cybercrime, as the first member country in Asia of the “Convention on Cybercrime” (Budapest Convention), which is the only multilateral treaty on the use of cyberspace, Japan actively participates in its related conferences, and promotes to expand the parties of the Convention, especially among Asia.

Due to the nature of cyberspace, the lack of incident handling capacity of some countries and regions may pose risk to the entire world. Therefore, capacity-building support for developing countries is important for ensuring Japan's security as well. Japan has been providing support, including the capacity-building of CSIRT (Computer Security Incident Response Team)<sup>6</sup> and the relevant administrative agencies mainly in ASEAN countries. Based on the “Basic Strategy of Cybersecurity Capacity Building for Developing Countries” formulated by the government as a whole in October, Japan will continue to provide strategic and efficient assistance on a “All-Japan” basis.

## (6) Outer Space

In recent years, outer space has become congested due to the diversified use of outer space and increasing number of countries using space. In addition, increase of space

<sup>6</sup> A general term which refers to a group to deal with computer security incidents. In order to minimize the damage caused by computer security incidents, they collect and analyze incident related information, vulnerability information and predictive information of cyberattacks, consider solutions and measures, and cope with the incidents.

debris caused by Anti-Satellite (ASAT) tests, collisions of satellites etc., has posed a growing risk to the sustainable and stable use of outer space.

In order to cope with this situation, Japan has been proactively participating in discussions on the rule-making for outer space with the aim of realizing and strengthening the rule of law. It also promotes dialogues and consultations on outer space with other countries to contribute to the efforts to ensure security in outer space.

Amid new technologies and services with regard to space utilization and applications, Japan proactively engages in space science and exploration such as the International Space Station (ISS), the overseas development of Japanese space industry, resolution of global challenges by utilizing space technologies, and support for capacity building in the field of outer space in developing countries.

### **A Realizing and Strengthening the Rule of Law in Outer Space**

Based on the environmental changes related to outer space, the international community has been discussing the necessity of formulating new rules for outer space. Japan also has been contributing to these discussions with the aim of realizing and strengthening the rule of law in outer space<sup>7</sup>. It is important to restrict actions that create space debris such as ASAT tests and to formulate rules with regard to transparency and confidence-building measures (TCBM) which will promote information exchange on outer space

activities between countries. From these points of view, Japan has been proactively contributing to discussions on the development of the International Code of Conduct for Outer Space Activities (ICOC) led by EU.

At the G7 Hiroshima Foreign Ministers' Meeting in April, Japan, serving its G7 Presidency, coordinated the formulation of a Joint Communiqué that covered concerns of the development of ASAT capabilities and the commitment to strengthen norms for outer space activities.

In addition, at the UN Committee on the Peaceful Uses of Outer Space (UNCOPUOS), discussions have been held on the peaceful use of outer space, including the development of the UNCOPUOS Guidelines for the "Long Term Sustainability of Outer Space Activities." Japan has actively participated in the discussions and has reached an agreement on 12 guidelines during the meeting of the Committee in June 2016. At the Scientific and Technical Subcommittee of COPUOS in January 2017, Japan's first female astronaut, Chiaki Mukai, served as Chair (see column "On the Frontlines of Space Diplomacy").

### **B International Dialogues and Consultations on Outer Space**

An increasing number of various bilateral and multilateral dialogues and consultations on outer space have been held with the aim of facilitating international cooperation and information sharing from a broad perspective and promotion of international cooperation; reflecting the growing interest of the international community concerning

<sup>7</sup> Japan has enacted the "Act concerning the launch and control of satellites" and the "Act concerning ensuring adequate handling of satellite remote sensing data" (known as the "two space acts") in November 2016 to deal with the expansion of outer space activities by private companies.

**Column** **On the Frontlines of Space Diplomacy**  
~ Contributions from Space experts at the United Nations Committee on the Peaceful Uses of Outer Space ~

---

Have you ever heard that there is a committee in the United Nations that exclusively deals with space related issues? The UN Committee on the Peaceful Uses of Outer Space (UNCOPUOS), headquartered in Vienna, is a committee with a long history. It has played a significant role in the formulation of several space treaties, including the Outer Space Treaty of 1967 which provides the basic framework on international space law. In recent years, in addition to formulating rules, the Committee is also actively engaged in solving global issues through space utilization, reviewing measures for the long-term use of outer space, and promoting use of outer space in developing countries.

The Ministry of Foreign Affairs, working in close cooperation with the Japan Aerospace Exploration Agency (JAXA), contributes actively to discussions conducted at UNCOPUOS. From 2012 to 2014, JAXA Technical Counselor Yasushi Horikawa served on the Committee as the first Japanese to be appointed as the chairman of the Committee. He has demonstrated initiative in a proactive manner, such as proposing the “Contribution of space activities to the achievement of Sustainable Development Goals” as one of the main agenda for UNCOPUOS and winning wide support from the member states on his proposal. He previously worked as an engineer on the frontlines of the development of manned and unmanned spacecraft, serving as the Project Manager for the Japanese Experiment Module (JEM) “Kibo” in the International Space Station.

On January 2017, Chiaki Mukai, the first female Japanese astronaut, was appointed as the chair of the Scientific and Technical Subcommittee of UNCOPUOS. In the field of space diplomacy, she has gained much respect as an astronaut who has performed various missions under the severe environment in outer space, after experiencing the stringent astronaut selection requirements and training. Her leadership has also been highly appraised.

Professor Setsuko Aoki from Keio University serves in the Legal Subcommittee of UNCOPUOS as the chair of the Working Group on the “Review of International Mechanisms for Cooperation in the Peaceful Exploration and Use of Outer Space.” As new issues pertaining to international space law emerge, such as space resource development activities, cooperation with researchers at the forefront of these fields has become more important than ever.

A high level of expertise, including knowledge of science and technology, as well as deep experience and understanding of the practical space utilization and developments, are sometimes necessary on the frontlines of space diplomacy. By cooperating with the Japanese Space experts and earning an excellent reputation worldwide, we have been conducting “Space diplomacy” proactively.





Appointment of Chiaki Mukai as the chair of the Scientific and Technical Subcommittee of UNCOPUOS.



Introduction of Japan's space exploration programs by the Japanese delegation.

outer space. Japan also promotes dialogues in the fields of security, science, and industry with major space-faring nations and other countries in the Asia-Pacific Region.

In March, the First Japan-France Comprehensive Dialogue on Space (Paris) was held, commencing consideration on Space Situational Awareness (SSA) and other cooperation. In addition, the Japan-U.S. Space Security Dialogue (Tokyo) and the Second Japan-EU Space Policy Dialogue (Brussels) were held in March, while the Sixth Japan-U.S.-Australia Trilateral Space Security Dialogue (Tokyo) was held in October.

### **C Space Science and Exploration, Overseas Development of Japanese Space Industry, and Contributions to Global Challenges**

The progress of space exploration and application for peaceful purposes is a common benefit for all humankind and is also significant in terms of diplomacy. In particular, the ISS is an epic project in which 15 countries participate and has become a symbol of international cooperation in the field of outer space. From July, astronaut Takuya Onishi stayed on the ISS for nearly

four months as a member of the 48th/49th Expedition Mission crew conducting various experiments and building a new usage environment for the Japanese Experiment Module “Kibo.” “Kibo” is capable of releasing nanosatellites and is also used to release nanosatellites on behalf of many emerging and developing countries with the aim of providing support for capacity building in the space field.

To acquire internationally increasing demand for satellites and launching services is an important challenge for the Japanese space industry. The Government of Japan has been promoting overseas development of its space industry through top-level sales and diplomatic missions overseas. Furthermore, through development cooperations utilizing space technologies, Japan has been contributing to addressing the global issues such as climate change, disaster risk reduction, forest conservation, resources/energy, and to supporting capacity building in the space field in developing countries. Based on these experiences, in order to promote more strategic and efficient all-Japan support hereafter, Japan coordinated to formulate the “Basic Strategy: Capacity Building for

Developing Countries in the Space Field.”

## 4 Disarmament, Non-proliferation and the Peaceful Uses of Nuclear Energy

### (1) General Overview

As a responsible member of the international community, Japan is striving to achieve disarmament and non-proliferation, both to ensure and maintain its own safety and to achieve a safe and peaceful world, based on the principle of pacifism advocated by the Constitution of Japan. Japan's efforts in this area encompass weapons of mass destruction (which generally refers to nuclear, biological, and chemical weapons), conventional weapons, missiles and other means of delivery, and related materials and technology.

As the only country to have ever suffered atomic bombings, Japan has been engaged in various diplomatic efforts to achieve a world free of nuclear weapons<sup>8</sup>. The Treaty on the Non-proliferation of Nuclear Weapons (NPT) is the cornerstone of the international nuclear disarmament and

non-proliferation regime. Under a principle of coming up with realistic and practical proposals to maintain and strengthen the NPT regime, Japan has been making concrete contributions through frameworks such as the G7 and the Non-proliferation and Disarmament Initiative (NPDI), a group consisting of 12 non-nuclear-weapon States<sup>9</sup>.

Japan's endeavors also focus on enhancing the operation of the convention and universal realization of conventions targeting weapons of mass destruction, other than nuclear weapons, namely biological and chemical weapons, as well as those targeting conventional weapons.

In addition, Japan is making efforts to begin negotiations on new disarmament treaties, such as a Fissile Material Cutoff Treaty (FMCT) in the Conference on Disarmament (CD), as well as to strengthen and increase the efficiency of the International Atomic Energy Agency (IAEA)<sup>10</sup> safeguards<sup>11</sup>.

Japan is also actively involved in various international export control regimes, the Proliferation Security Initiative (PSI)<sup>12</sup>,

<sup>8</sup> For more details about Japan's policy in the fields of nuclear disarmament and non-proliferation, please refer to "Japan's Disarmament and Non-Proliferation Policy" (7th Edition) published in March 2016.

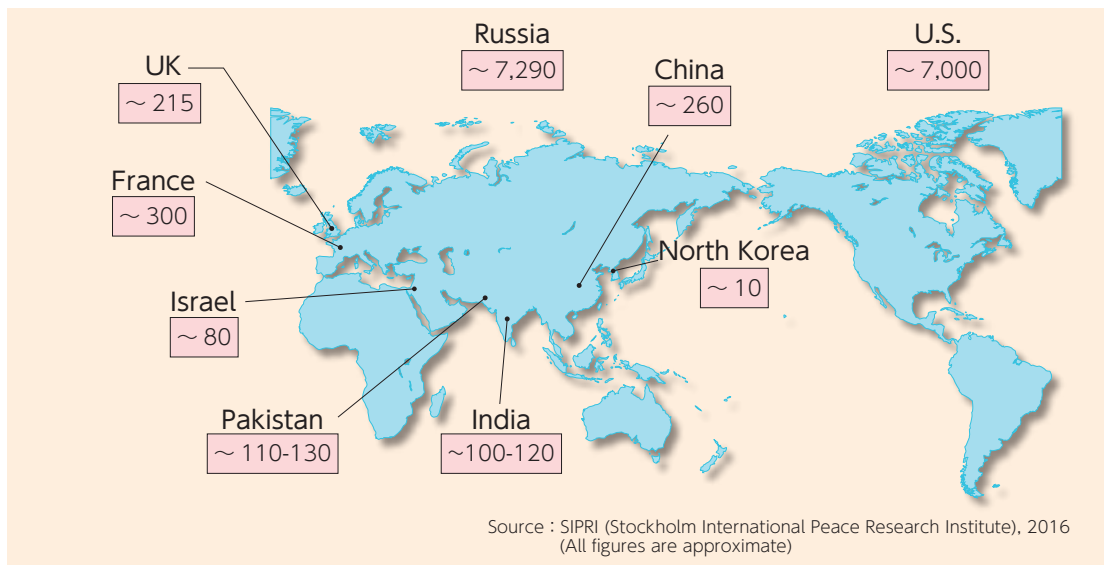
<sup>9</sup> Established by Japan and Australia in September 2010, it now has 12 members. The other members are Canada, Chile, Germany, Poland, Mexico, the Netherlands, Turkey, the United Arab Emirates, the Philippines and Nigeria.

<sup>10</sup> The IAEA was established in 1957 to promote the peaceful uses of nuclear energy and to prevent it from being diverted from peaceful to military uses. Its secretariat is located in Vienna. Its highest decision-making body is the General Conference, which consists of all member countries and meets once a year. The 35-member Board of Governors carries out the IAEA's functions, subject to its responsibilities to the General Conference. As of February 2016, the IAEA has 168 member countries. Mr. Yukiya Amano has been its Director General since December 2009.

<sup>11</sup> Verification measures (inspections, checks of each country's material accountancy (management of its inventory of nuclear material) records, etc.) undertaken by the IAEA in accordance with the safeguards agreements concluded by each individual country and IAEA, in order to guarantee that nuclear material is being used solely for peaceful purposes and is not being diverted for use in nuclear weapons or the like. Pursuant to Article 3 of the NPT, the non-nuclear states that are contracting parties to the NPT are required to conclude safeguards agreements with the IAEA and to accept safeguards on all nuclear material within their borders (comprehensive safeguards).

<sup>12</sup> A framework established in May 2003 to prevent the potential proliferation of weapons of mass destruction, their delivery systems, and related materials, where each country implements and reviews possible measures jointly available within the scope of international and domestic laws. As of December 2016, 105 countries take part in PSI activities and cooperation. Japan conducted PSI maritime interdiction exercise twice in 2004 and 2007. In November 2010, it hosted the Operational Experts Group (OEG) meeting in Tokyo, and in July 2012, it hosted the PSI air interdiction exercise, the first activity conducted in Japan. Japan also proactively participates in the exercises and related meetings organized by other countries; it attended a High-Level Political Meeting held in Poland in May 2013 to commemorate the 10th anniversary of the PSI, as well as a Mid-Level Political Meeting held in the U.S. in January 2016. Most recently, Japan participated in the Operational Expert Group (OEG) meeting held in the UK in April 2016, and the "Deep Sabre 16" PSI maritime interdiction exercise hosted by Singapore in September 2016.

## World Nuclear Forces: Total Inventory (2016)



and initiatives aimed at enhancing nuclear security<sup>13</sup>.

Furthermore, Japan is actively engaging in disarmament and non-proliferation diplomacy through bilateral dialogue with many countries, including the U.S. and Russia<sup>14</sup>. Japan's basic stance is to secure nuclear non-proliferation while promoting the peaceful uses of nuclear energy; to that end, Japan is undertaking wide-ranging activities to promote the peaceful uses of nuclear energy such as the conclusion of bilateral nuclear cooperation agreements.

## (2) Nuclear Disarmament

### A Treaty on the Non-proliferation of Nuclear Weapons (NPT)

Japan places great importance on Treaty on the Non-proliferation of Nuclear Weapons (NPT), which comprises the three pillars of nuclear disarmament,

nuclear non-proliferation, and the peaceful uses of nuclear energy, as the foundation for the international nuclear disarmament and non-proliferation regime. Japan has continuously emphasized this point, for example, in “the Hiroshima Declaration on nuclear disarmament and non-proliferation” at the G7 Foreign Ministers’ Meeting held in April, and the resolution on the elimination of nuclear weapons that Japan annually submits to the UN General Assembly. In May 2017, the Preparatory Committee meeting will be held towards the NPT Review Conference which is supposed to be held once in every five years, and its next conference is scheduled to be held in 2020.

### B G7 and calls to visit atomic-bombed sites

In 2016, Japan, as the presiding country

<sup>13</sup> Initiatives to prevent terrorists and other criminals from obtaining nuclear materials.

<sup>14</sup> In 2016, consultations on disarmament and non-proliferation were held with the EU (January, Tokyo), Iran (February, Tokyo), the ROK (May, Tokyo), the U.S. (July, Washington D.C.), Russia (July, Tokyo), India (August, New Delhi), Egypt (September, Cairo), and Israel (September, Jerusalem). On top of that, Japan also engaged in bilateral dialogues with many other countries through international conferences and other forums.

of the G7, which comprises both nuclear-weapon and non-nuclear-weapon States, and G7 Foreign Ministers issued “the Hiroshima Declaration on nuclear disarmament and non-proliferation” to send a powerful message for “a world free of nuclear weapons” as one of the outcomes of G7 Hiroshima Foreign Ministers’ Meeting which was held in Hiroshima, the site of atomic bombing for the first time. The visit by leaders from around the world, including President Obama of the United States of America, to sites of atomic-bombings to experience the realities of the use of nuclear weapons, coupled with the Hiroshima Declaration, was a turning point for revitalizing international momentum toward achieving “a world free of nuclear weapons.”

### C The Non-proliferation and Disarmament Initiative (NPDI)

The NPDI has taken a bridging role between nuclear-weapon and non-nuclear-weapon States, taking the lead on efforts in the field of nuclear disarmament and non-proliferation through its concrete and practical proposals, and with the involvement of the Foreign Ministers of its member states. The NPDI also continues to make proactive efforts, including the submission of 18 working papers and a draft outcome document for the 2015 NPT Review Conference, held from April to May 2015, in order to take the lead in the international community, and participating in joint statements condemning North Korea’s nuclear tests in January and September 2016, at fora such



Parliamentary Vice-Minister for Foreign Affairs Takisawa's speech at the International Conference for the 25th Anniversary of the Closure of the Semipalatinsk Test Site, “Building a Nuclear Weapon Free World” (August 29, Astana, Kazakhstan)

as the Conference on Disarmament (CD) in Geneva and the First Committee of the UN General Assembly.

### D Contributions in the UN

In order to realize a world free of nuclear weapons, it is important to build up concrete and practical measures through the cooperation of nuclear weapon and non-nuclear-weapon States. From this basic point, Japan has been annually submitting the resolution on the elimination of nuclear weapons to the UN General Assembly since 1994. At the 71st UN General Assembly held in December, the resolution was adopted with an overwhelming majority of 167 in favor, 4 against, and 16 abstention.

### E Comprehensive Nuclear-Test-Ban Treaty (CTBT)<sup>15</sup>

Japan prioritizes the early entry into force of the CTBT, as it is a key pillar of the international nuclear disarmament and non-proliferation regimes based upon the NPT. Japan continues its diplomatic efforts to persuade those countries that have not yet ratified it to do so. For the two years from

<sup>15</sup> CTBT prohibits any nuclear test explosions or any other nuclear explosion, whether in outer space, in the atmosphere, underwater and underground. Although it has been opened for signature since 1996, it had not yet entered into force as of December 2016 because China, Egypt, Iran, Israel and the U.S. have yet to ratify it, while India, North Korea and Pakistan, which are included in the 44 countries whose ratification is required for the treaty to enter into force, have yet to sign it.

September 2015 to September 2017 Japan served as a co-coordinator for facilitating entry into force of the Treaty, and has taken the lead in initiatives toward the early entry-into-force of the CTBT. Furthermore, Foreign Minister Kishida co-chaired the 8th Ministerial Meeting of the Friends of the CTBT held in September 2016, with Julie Bishop, Minister for Foreign Affairs of Australia. In the same month, the UN Security Council resolution 2310 concerning the CTBT, jointly proposed by 42 states including Japan, was adopted by the UN Security Council with a significant majority.

#### **F Fissile Material Cut-off Treaty (FMCT: Cut-off Treaty)<sup>16</sup>**

In light of a situation where negotiations on an FMCT have not been started in the CD for years, a total of four Group of Governmental Experts (GGE) meetings were held in 2014 and 2015. Former Ambassador, Permanent Representative of Japan to the Conference on Disarmament, Akio Suda, attended the GGE meetings as Japan's governmental expert. Through these meetings, a report containing a recommendation on future FMCT negotiations was produced. Based on this report, the decision was made in December 2016, at the UN General Assembly, to establish a High-Level Experts Preparatory Group, and to discuss the substantive elements of an FMCT in 2017 and 2018. In February 2017, Japan was selected as a member state of the Group, and Japan decided to send former Ambassador, Permanent Representative of Japan to the

Conference on Disarmament, Toshio Sano to serve on the Group as an expert.

#### **G Disarmament and Non-proliferation Education**

In recent years, the international community has become increasingly aware of the importance of educating citizens about disarmament and non-proliferation, in order to further promote disarmament and nonproliferation efforts. As the only country to have ever suffered the atomic bombings, Japan is actively promoting disarmament and non-proliferation education. As part of efforts by Japan to support activities aimed at conveying the reality of the devastation caused by the use of nuclear weapons to people both within Japan and overseas, Japan has translated testimonies of atomic bomb survivors into other languages, conducted training courses for young diplomats from other countries in the sites of atomic bombings, and commissioned atomic bomb survivors as "Special Communicators for a World without Nuclear Weapons" and invited them to speak at international conferences. In recent years, with the atomic bomb survivors aging, Japan has also placed high priority on initiatives to pass on across borders the current understanding of the realities of the use of atomic bombings in Hiroshima and Nagasaki, launching the "Youth Special Communicators for a World without Nuclear Weapons" program in 2013 for the younger generation in Japan and overseas in addition to the existing "Special Communicators for a World without Nuclear Weapons" program.

<sup>16</sup> A proposed treaty that seeks to halt the quantitative increase in nuclear weapons by prohibiting the production of fissile material (including highly-enriched uranium and plutonium) for use as raw material in the manufacture of nuclear weapons or other nuclear explosive devices.

Disarmament and Non-proliferation Frameworks for Weapons of Mass Destruction, Missiles, Conventional Weapons, and Related Materials

Weapons of Mass Destruction (WMD)			WMD Delivery Means (Missiles)	Conventional Weapons (including Small Arms and Light Weapons and Anti-Personnel Mines)	
Nuclear Weapons	Biological Weapons	Chemical Weapons			
<b>Disarmament and Non-proliferation Treaties, etc.</b>			Hague Code of Conduct against Ballistic Missile Proliferation (HCOOC)*(138) Adopted in November 2002	Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons which may be deemed to be Excessively Injurious or to have Indiscriminate Effects (CCW) (123) Came into effect in December 1983	Programme of Action on Small Arms and Light Weapons (PoA)* Adopted in July 2001
				IAEA Comprehensive Safeguards Agreement (Obligation under Article 3 of NPT (Treaty on the Non-Proliferation of Nuclear Weapons)) (174) Model Agreement adopted in February 1971	Biological Weapons Convention (BWC)(178) Came into effect in March 1975
<b>Export Control Regimes</b>			Missile Technology Control Regime (MTCR)* (35) Missiles and related dual-use items/technologies Established in 1987	Convention on Cluster Munitions(100) Came into effect in August 2010	
				Nuclear Suppliers Group (NSG)(48) Nuclear materials, equipment and technologies and related dual-use items/technologies Established in 1975	Australia Group (AG) (42) Biological/chemical weapons and related dual-use items/technologies Established in 1985
<b>New Non-proliferation Initiative</b>			Proliferation Security Initiative (PSI) Launched on May 31, 2003		

(Note 1) "★" indicates treaties with verification mechanisms.  
 (Note 2) Figures in parentheses indicate the number of countries, regions, and organizations that have concluded, ratified, or joined respective frameworks as of December 2016.  
 (Note 3) As for conventional weapons, United Nations Register of Conventional Arms was established in 1992 to enhance transparency of transfer.  
 (Note 4) "\*" indicates political commitments, which are not legally-binding international agreements.

Taking into account the fact that the number of Youth Special Communicators had exceeded 100 by March 2016, the “Youth Communicators for a World without Nuclear Weapons in Hiroshima Forum – What Young People Can Do to Realize a World free of Nuclear Weapons” was held in Hiroshima City. During this Forum, Japan announced to expand the qualification of “Youth Communicators” for young people all over the world. In addition, the “International Conference in Nagasaki – towards a world free of nuclear weapons,” comprising “the 26th United Nations Conference on Disarmament Issues” and the “Forum for Youth Communicators for

a World without Nuclear Weapons,” was held in December in Nagasaki City. The Government also provides assistance for holding atomic bomb exhibition overseas through its diplomatic missions overseas, in cooperation with Hiroshima and Nagasaki Cities. Permanent atomic bomb exhibitions have been opened in New York (U.S.), Geneva (Switzerland), and Vienna (Austria).

**H Other Bilateral Initiatives**

Through the Japan-Russia Committee on Cooperation for the Elimination of Nuclear Weapons Reduced in the Former Soviet Union, Japan has provided its assistance

to Russia in dismantling decommissioned nuclear submarines, with the objective of furthering nuclear disarmament and non-proliferation, as well as preventing environmental pollution<sup>17</sup>. Japan was also engaged in cooperation to enhance nuclear security and other efforts through committees on cooperation for the elimination of nuclear weapons reduced in Ukraine and Kazakhstan respectively<sup>18</sup>.

### (3) Non-proliferation

#### A Efforts to Prevent the Proliferation of Weapons of Mass Destruction

Japan has made efforts to strengthen non-proliferation regimes. As a member state of the IAEA Board of Governors designated by the Board<sup>19</sup>, Japan contributes to the activities of the IAEA in both personnel and financial terms. Since 2009, Yukiya Amano has been serving as the Director-General of the IAEA. He has established the vision of “atoms for peace and development,” implemented safeguards, and tackled the nuclear issues of Iran and North Korea. He has also made efforts in addressing development challenges by using nuclear technology. These initiatives under the leadership of Director-General Amano have been highly appraised by countries around the world. With respect to the IAEA safeguards, which is a central measure to

the international nuclear non-proliferation regimes, Japan encourages other countries to conclude Additional Protocols of the IAEA safeguards<sup>20</sup> by providing personnel and financial support for the IAEA’s regional seminars, as well as through other fora. Some specific examples include the Additional Protocol Seminar organized by IAEA in Niger in May, as well as in July, the dispatch of staff to the seminar on Additional Protocol and commodity identification training for weapons of mass destruction organized jointly by the Japan Atomic Energy Agency (JAEA), Integrated Support Center for Nuclear Nonproliferation and Nuclear Security (ISCN), and the governments of the U.S. and Myanmar, to discuss the importance of Additional Protocols and introduce Japan’s efforts to date.

With respect to nuclear weapons, biological and chemical weapons, missiles<sup>21</sup>, and conventional weapons, Japan participates in relevant export control regimes, which are coordinating frameworks for countries supporting appropriate export controls and capable of supplying respective weapons and related dual-use goods and technologies. In particular, the Permanent Mission of Japan to the International Organizations in Vienna serves as the Point of Contact

<sup>17</sup> The “Star of Hope” program, for dismantling decommissioned nuclear submarines was implemented as part of the G8 Global Partnership agreed to at the 2002 Kananaskis Summit held in June (Canada) and was completed in December 2009 after dismantling a total of six submarines. Since August 2010, Japan has extended its assistance for the construction of facilities for ensuring the safe onshore storage of reactor compartments removed from the dismantled nuclear submarines.

<sup>18</sup> In January 2011, Japan undertook efforts to enhance nuclear security at the Kharkiv Institute of Physics and Technology through the Japan-Ukraine Committee on Cooperation for the Elimination of Nuclear Weapons Reduced in Ukraine. In November, Japan also extended assistance to strengthen the nuclear security of the Ulba Metallurgical Plant in Kazakhstan through the Committee on Cooperation for the Elimination of Nuclear Weapons Reduced in Kazakhstan.

<sup>19</sup> 13 countries designated by the IAEA Board of Governors. Japan and other countries such as G7 members that are advanced in the field of nuclear energy are nominated.

<sup>20</sup> Protocols concluded by each country with the IAEA, in addition to their Comprehensive Safeguards Agreements, etc. The conclusion of Additional Protocol subjects countries to more stringent verification activities, extending the scope of information about nuclear activities that should be reported to the IAEA. As of October 2016, 129 countries have concluded such protocols.

<sup>21</sup> In terms of missile-related commitments other than export control regimes, the Hague Code of Conduct against Ballistic Missile Proliferation (HCOC) consists of the principle of exercising restraint in the development and deployment of ballistic missiles. Japan served as the HCOC chair from May 2013 to May 2014. In June 2016, India joined the HCOC.

of the Nuclear Suppliers Group (NSG). In commemoration of the 20th anniversary of the Wassenaar Arrangement (WA), which is the export control regime for conventional weapons, Japan hosted an awareness-raising workshop for non-member countries in 2016 at the Permanent Mission of Japan to the International Organizations in Vienna.

In addition to actively taking part in the activities of the Proliferation Security Initiative (PSI), Japan is working to promote understanding of the non-proliferation regime and enhance regional efforts particularly in Asia by hosting the Asia Senior-Level Talks on Non-Proliferation (ASTOP)<sup>22</sup> and the Asian Export Control Seminar<sup>23</sup>. Furthermore, through the International Science and Technology Center (ISTC), Japan is also contributing to international scientific cooperation and efforts to prevent the proliferation of knowledge and skills in the field of weapons of mass destruction. More specifically, scientists from Russia and Central Asia, among others, who were previously involved in research and development focused on weapons of mass destruction and their delivery systems, are now employed by the ISTC, where they undertake research for peaceful purposes.

Following up on UN Security Council Resolution 1540<sup>24</sup>, which was adopted

in 2004 with the aim of preventing the proliferation of weapons of mass destruction and their delivery means (missiles) to non-state actors, Resolution 2325 was adopted in December 2016, drawing upon the outcomes of the comprehensive review conducted on the basis of Resolution 1977 (2011). Japan and other countries will strengthen non-proliferation efforts based on Resolution 2325.

### **B Regional Non-proliferation Issues**

North Korea's continued development of nuclear and missile program is a grave threat to the international peace and security, and poses a serious challenge to the global nuclear non-proliferation regime.

Since the beginning of 2016, North Korea has conducted two nuclear tests and launched more than 20 ballistic missiles. The UN Security Council adopted Resolution 2270 in March 2016 and Resolution 2321 in November 2016, but North Korea has continued to ignore the series of resolutions launching ballistic missiles again in February and March 2017.

North Korea declared that it had succeeded in a hydrogen bomb test after the nuclear test conducted in January 2016<sup>25</sup>, and that it had succeeded in the explosion of a nuclear warhead after the nuclear test conducted in September the same year<sup>26</sup>. The report issued by the

<sup>22</sup> A multilateral meeting hosted by Japan to discuss various issues related to the strengthening of non-proliferation efforts in Asia with the participation of the ten ASEAN member states, China, the ROK, the U.S., Australia, Canada, New Zealand, and France. ASTOP was most recently held in January 2017.

<sup>23</sup> A seminar hosted by Japan to exchange views towards the objective of strengthening export controls in Asia, with the participation of export control officials from Asian countries and regions. Organized annually in Tokyo since 1993, the seminar was most recently held in February 2017 and attended by approximately 30 countries and regions.

<sup>24</sup> Adopted in April 2004, Resolution 1540 requires all countries to: (1) exercise restraint in providing support to terrorists and other non-state actors attempting to develop weapons of mass destruction; (2) enact laws prohibiting the development of weapons of mass destruction by terrorists and other non-state actors; and (3) implement domestic controls (protective measures, border control, export controls, etc.) to prevent the proliferation of weapons of mass destruction. The resolution also establishes under the UN Security Council the 1540 Committee composed of Security Council members, with a mandate to review and report to the Security Council the implementation status of Resolution 1540.

<sup>25</sup> January 6, 2016, Korean Central News Agency

<sup>26</sup> September 9, 2016, Korean Central News Agency



Director General of the IAEA in August 2016 stated that throughout the period of observation by the IAEA (August 27, 2015 to August 19, 2016), there were indications of reactor operation at the 5MWe graphite-moderated reactor in Nyongbyon.

With regard to the ballistic missile development situation in North Korea, the Final Report of the Panel of Experts for the 1718 Sanctions Committee of the UN Security Council, published in March 2017, notes that North Korea's ballistic missile technology has advanced significantly in a short period of time, such as the extension in flight distance through the introduction of medium-range ballistic missiles, and shift toward solid fuels in the launch of SLBMs.

North Korea's enhanced nuclear and missile capabilities pose a new level of threat to the region, including Japan, as well as to the international community at large. Japan will continue to work closely with the relevant countries, including the U.S. and the ROK, and strongly demand that North Korea steadily implement measures aimed at the abandonment of its nuclear and missile programs. In addition, to ensure that countries fully and strictly implement sanctions imposed through the UN Security Council Resolutions, Japan will work

on capacity building for export controls particularly in Asia through the Asia Senior-Level Talks on Non-Proliferation (ASTOP), Asian Export Control Seminar, and other efforts. (See 2-1-1 (1)).

On the other hand, Iran's nuclear issue showed some developments during the period of 2015 to 2016. In July 2015, the EU3 (the UK, France, Germany) + 3 (the U.S., China, Russia) and Iran agreed on the Joint Comprehensive Plan of Action (JCPOA)<sup>27</sup>, which is a final agreement regarding the Iran's nuclear issue. The JCPOA imposes restrictions on Iran's nuclear activities while ensuring that they serve peaceful purposes, and clearly sets forth the procedures for lifting the sanctions that have been imposed until now, alongside the implementation of measures by Iran. The UN Security Council Resolution 2231 was also adopted; this resolution covers the approval of JCPOA, as well as requests to IAEA to carry out the necessary verification and monitoring activities.

Iran and the IAEA conducted inspections based on the "Road-map for the Clarification of Past and Present Outstanding Issues regarding Iran's Nuclear Program," which covers the possible military dimensions of Iran's nuclear issue<sup>28</sup>. In December 2015,

<sup>27</sup> Joint Comprehensive Plan of Action (JCPOA)

•Sets forth detailed procedures for imposing constraints on Iran's nuclear activities while ensuring that they serve peaceful purposes, and for lifting the sanctions that have been imposed until now.

<Main measures undertaken by Iran>

•Constraints on enriched uranium-related activities

•Limits the number of centrifuges in operation to 5,060 units

•Upper limit of enriched uranium at 3.67%, and limit on the amount of stored enriched uranium at 300 kg, etc.

•Constraints on Arak heavy-water nuclear reactor, and reprocessing

•Redesign/remodeling of the Arak heavy-water nuclear reactor such that it is not able to produce weapon-grade plutonium, and transfer of spent fuel out of the country

•No reprocessing including for research purposes, no construction of reprocessing facilities, etc.

<sup>28</sup> Possible Military Dimensions (PMD)

In November 2011, the IAEA pointed out, through the Director General's Report, the "possible military dimensions" (PMD) of the signs of nuclear bomb development with regard to Iran's nuclear activities. The PMD comprises 12 items including the development of detonators. Thereafter, this has been treated as an important point of contention in consultations between Iran and the IAEA.

the IAEA Director General issued a Final Evaluation Report<sup>29</sup>.

Furthermore, in January 2016, IAEA verified that Iran had implemented some of the measures that it had committed to in the JCPOA. Consequently, based on UN Security Council Resolution 2231, some of the sanctions imposed through past relevant UN Security Council resolutions were terminated. However, sanctions continue to be imposed on the transfer activities that are related to Iran's nuclear and missile activities.

Japan supports the JCPOA, and takes the position that its continuous implementation is important. Based on this position, when Foreign Minister Kishida visited Iran in October 2015, he expressed Japan's intention to cooperate in the field of nuclear safety and implementation of IAEA safeguards and transparency measures. In addition, corresponding with the Japan-Iran Foreign Ministers' Meeting held on December 7, 2016, Japan decided to offer assistance, through IAEA, worth 550,000 Euros for cooperation in nuclear safety, and 1.5 million Euros for cooperation in safeguard measures, in order to support continuous implementation of the nuclear agreement.

With regard to Syria's implementation of the IAEA security measures, little progress has been achieved, partly due to the deterioration of the situation in Syria. However, Syria is cooperating fully with

the IAEA. In order to clarify the facts, it is important for Syria to sign and ratify the additional protocol, as well as to implement it.

### **C Nuclear Security**

International cooperation on "Nuclear Security" to prevent terrorist organizations from using nuclear materials or other radioactive materials has also been enhanced through various efforts from the IAEA, UN and member countries. In particular, the Nuclear Security Summit that was launched through the initiative of U.S. President Obama, which was held for the fourth and last time in March 2016 in Washington D.C. in the U.S., was attended by 53 countries and three organizations. During this Summit, an action plan was formulated for international organizations/frameworks that will promote nuclear security for the IAEA, UN, and other agencies going forward. Prime Minister Abe attended this Summit, where he announced Japan's initiatives toward strengthening nuclear security in the international community, including minimizing and appropriately managing nuclear substances, and human resource development and capability support in the field of nuclear security. Specifically, he stated that Japan has completed the removal of all highly enriched uranium and plutonium from the Fast Critical Assembly (FCA) facility of the Japan Atomic Energy

<sup>29</sup> The IAEA Director-General's Final Evaluation Report on the Possible Military Dimensions (PMD) of Iran's Nuclear Issue (Summary) The report mentioned the following three points.

- (1) All of the activities included in the "Road-map for the Clarification of Past and Present Outstanding Issues Regarding Iran's Nuclear Program" were implemented as scheduled.
- (2) The IAEA assessed that Iran had conducted the activities relevant to the development of nuclear explosive device in its organizational structure before the end of 2003, and some activities took place after 2003. At the same time, the IAEA assessed that these activities did not advance beyond feasibility and scientific studies, and acquisition of certain relevant technical competences and capabilities. Also, the IAEA has no credible indications of activities in Iran relevant to the development of a nuclear explosive device after 2009.
- (3) The IAEA has found no credible indications of the diversion of nuclear material in connection with the possible military dimensions to Iran's nuclear program.

Agency, as it had committed to doing at the previous summit (2014, the Hague, the Netherlands), and converted the Kyoto University Critical Assembly facility to a nuclear reactor that uses slightly enriched uranium, while completely removing all highly enriched uranium fuel from the same facility. In response to the affirmation, at the Nuclear Security Summit, that the IAEA will take on a central role in international nuclear security initiatives going forward, the International Conference on Nuclear Security was organized by the IAEA and held in December 2016 at Vienna (Austria), and attended by more than 2,000 delegates from 130 countries and 17 international organizations. State Minister for Foreign Affairs Sonoura attended the conference from Japan, where he spoke about Japan's continued efforts to minimize and appropriately manage nuclear substances, as well as to develop human resources in the field of nuclear security. Together with IAEA Director General Amano, they expressed that Japan and IAEA will cooperate on measures to counter nuclear terrorism toward the Tokyo 2020 Olympic and Paralympic Games.

#### **(4) Peaceful Uses of Nuclear Energy**

##### **A Multilateral Efforts**

Along with nuclear disarmament and non-proliferation, the peaceful uses of nuclear energy are considered to be one of the three pillars of the NPT. According to the Treaty, it is the “inalienable right” for any country that meets its obligations to nuclear disarmament and non-proliferation to develop nuclear research, production

and use for peaceful purposes.

Due to such factors as growing global energy demand and the need to address global warming, many countries are planning to further develop or newly introduce nuclear energy program<sup>30</sup>. Even after the accident at Tokyo Electric Power Company's Fukushima Daiichi Nuclear Power Station (the Fukushima Daiichi accident), nuclear energy remains as an important energy source for the international community.

On the other hand, the nuclear materials, equipment and technologies used for nuclear power generation can be diverted to uses for military purposes, and a nuclear accident in one country may have significant impacts on its neighboring countries. For these reasons, with regard to the peaceful uses of nuclear energy, it is vital to ensure the “3S”<sup>31</sup>: (1) Safeguards; (2) Nuclear Safety (measures to ensure safety to prevent a nuclear accident, etc.); and (3) Nuclear security. As the country that experienced the Fukushima Daiichi accident, it is Japan's responsibility to share with the rest of the world its experiences and lessons learned from the accident and to contribute in strengthening global nuclear safety. In this regard, Japan and the IAEA are working in cooperation. IAEA Response and Assistance Network (RANET) Capacity Building Centre (CBC) was designated in Fukushima in 2013, where workshops are organized in April, August, October, and December in 2016 for Japanese and foreign officials to strengthen their capabilities in the field of unclear emergency preparedness and response.

<sup>30</sup> According to the IAEA, as of December 2016, 450 nuclear reactors are in operation worldwide and 60 reactors are under construction (see the IAEA website).

<sup>31</sup> IAEA's safeguards, typical measures for non-proliferation, and nuclear safety and nuclear security are referred to as the “3Ss” for short.

Decommissioning, contaminated water management, as well as decontamination and environmental remediation, have been progressing steadily at the Fukushima Daiichi Nuclear Power Station. However, this work continues to be difficult in ways that are unprecedented in the world, and efforts are being made to tackle the tasks through the technology and wisdom of the world. Japan has been working closely with the IAEA from the time immediately after the accident. In 2016, Japan hosted marine monitoring experts missions (May and November), and held an Experts' Conference on environmental remediation (February) with the IAEA. In addition, after the publication of a report on radiation impact assessment in 2014 by the United Nations Scientific Committee on the Effects of Atomic Radiation (UNSCEAR), briefing sessions have been held in Fukushima Prefecture (February and November 2016).

Furthermore, it is necessary to disseminate appropriate information at an appropriate time in order to respond to the accident and move forward on reconstruction, while gaining supports and correct understanding of the international community. From this perspective, Japan periodically releases a comprehensive report through the IAEA, covering matters including the progress of decommissioning, contaminated water management at the Fukushima Daiichi Nuclear Power Station, results of the monitoring of air dose rate and radioactivity concentration in the sea water, and food safety. Information is also provided through diplomatic missions overseas and briefing sessions held for diplomatic corps.

Nuclear science and technology are applied not only to the field of nuclear power generation, but also to areas

including human health, food and agriculture, environment, as well as industrial applications. Promoting peaceful uses of nuclear energy in such non-power applications, as well as contributing to development issues, are becoming increasingly important as developing countries make up the majority of NPT member states. IAEA Director General Amano upholding "Atoms for Peace and Development," the IAEA also places great importance on technical cooperation for developing countries.

Japan has been providing active support through the Peaceful Uses Initiative (PUI) and other means. At the NPT Review Conference held in April 2015, Japan announced that it will be contributing a total of 25 million US dollars over the next five years to the PUI. In 2016, Japan provided support through the PUI for projects, including measures against infectious diseases and disasters in developing countries.

### **B** Bilateral Nuclear Cooperation Agreement

Bilateral nuclear cooperation agreements are concluded to secure a legal assurance from the recipient country, when transferring nuclear-related materials and equipment such as nuclear reactors to that country, that the transferred items will be used only for peaceful purposes. The agreements especially aim to promote the peaceful uses of nuclear energy and ensure non-proliferation.

Moreover, as Japan attaches importance to ensuring the "3S," the recently concluded agreements between Japan and a foreign country include provisions regarding nuclear safety. Through conclusion of such

agreements, cooperation in the area of nuclear safety can also be promoted.

High expectation for Japan's nuclear technology has been expressed by numerous countries, even after the Fukushima Daiichi accident. It is Japan's responsibility to share with the rest of the world its experience and lessons learned from the Fukushima Daiichi accident, in order to make contribution in strengthening international nuclear safety, when promoting bilateral nuclear cooperation. Based on this recognition, in its bilateral nuclear energy cooperation, Japan intends to provide nuclear-related materials, equipment, and technology with highest safety standards, while taking into account the situation in and intention of countries desiring to cooperate with Japan in this field. When considering whether or not to establish a nuclear cooperation agreement framework with a foreign country, Japan considers the overall situation in each individual case, taking into account such factors as non-proliferation, nuclear energy policy in that country, the country's trust in and expectations for Japan, and the bilateral relationship between the two countries.

As of the end of 2016, Japan has concluded nuclear cooperation agreements with Canada, Australia, China, the U.S., France, the UK, the European Atomic Energy Community (EURATOM), Kazakhstan, the ROK, Vietnam, Jordan, Russia, Turkey and the United Arab Emirates, respectively.

## (5) Biological and Chemical Weapons

### A Biological Weapons

The Biological Weapons Convention (BWC)<sup>32</sup> is the only multilateral legal framework imposing a comprehensive ban on the development, production, and retention of biological weapons. However, the question of how to enhance the convention is a challenge, as it contains no provision regarding the means of verifying compliance with the BWC.

After the 6th Review Conference held in 2006, decisions were made to establish the Implementation Support Unit (fulfilling the functions of a secretariat), and to hold conferences twice a year; progress has been made in initiatives toward strengthening the implementation of the BWC. However, the Final Document of the 8th Review Conference held in November 2016 stated that conferences will be held once a year due to conflicting opinions among the countries, and the number of items for substantial agreement were reduced. Japan will continue to strengthen its efforts in the implementation of the Convention toward the Meeting of States Parties (MSP) scheduled for December 2017.

### B Chemical Weapons

The Chemical Weapons Convention (CWC)<sup>33</sup> imposes a comprehensive ban on the development, production, storage, and use of chemical weapons and stipulates that all existing chemical weapons must be destroyed. Compliance with this groundbreaking international agreement on the disarmament and non-proliferation of weapons of mass destruction is ensured

<sup>32</sup> Enacted in March 1975. The contracting states number 178 (as of December 2016).

<sup>33</sup> Enacted in April 1997. With the Myanmar newly joined in August 2015, and Angola in October, the contracting states numbered 192 (as of December 2016).

through the verification system (declaration and inspection). The implementing agency of the CWC is the Organization for the Prohibition of Chemical Weapons (OPCW), which is based in the Hague, the Netherlands. Along with the UN, the OPCW has played a key role in the destruction of Syria's chemical weapons, which has been underway since September 2013, and Japan has provided financial support for these activities. With an aim of identifying responsibility for the repeated use of chlorine gas and other substances in Syria, the UN-OPCW Joint Investigative Mechanism was established pursuant to UN Security Council Resolution in August 2015. There are ongoing efforts to prevent chemical weapons from being used again, including a one-year extension of the term of activities for the Investigative Mechanism in November 2016, and assignment of responsibilities for the use of chemical weapons.

Japan is actively involved in cooperation aimed at increasing the number of States Parties, efforts by States Parties to strengthen measures for national implementation of the convention in order to increase its effectiveness, and international cooperation to this end.

Moreover, under the CWC, Japan has an obligation to destroy chemical weapons of the Imperial Japanese Army left in territory of China, as well as old chemical weapons within Japan. As such, working in

cooperation with China, Japan makes its utmost effort to complete the destruction of these weapons as soon as possible.

## (6) Conventional Weapons

### A Cluster Munitions<sup>34</sup>

Japan takes the humanitarian consequences of cluster munitions very seriously. Therefore, in addition to taking steps to address these weapons by supporting victims and unexploded ordnance (UXO) clearance, Japan is continuing its efforts to increase the number of States Parties to the Convention on Cluster Munitions (CCM)<sup>35</sup>. In addition, Japan is assisting with UXO clearance bomb disposal and victim assistance projects in Laos, Lebanon and other countries that suffer from cluster munitions<sup>36</sup>.

### B Anti-Personnel Mines

Japan promotes comprehensive initiatives focused primarily on the effective prohibition of anti-personnel mines and enhancement of support for mine-affected countries. As well as calling on countries in the Asia-Pacific region to ratify or accede to the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction (Ottawa Treaty)<sup>37</sup>, Japan has, since 1998, provided support worth over 67 billion yen to 51 countries and regions to assist them in dealing with the consequences of land mines (for example,

<sup>34</sup> Generally speaking, it refers to a bomb or shell which enables numerous submunitions to be spread over a wide area by opening in the air a large container, which holds those submunitions. It is said that there is high possibility that many of them do not explode on impact, which creates problem of accidental killing or injury of civilian population.

<sup>35</sup> Enacted in August 2010, it prohibits the use, possession, or production of cluster munitions, while obliging the destruction of stockpiled cluster munitions, and the clearance of cluster munitions in contaminated areas. As of December 2016, the number of contracting states and regions is 100, including Japan.

<sup>36</sup> See the White Paper on Development Cooperation for specific efforts in international cooperation regarding cluster munition and anti-personnel mine.

<sup>37</sup> While banning the use and production of anti-personnel mines, the Convention, which came into force in March 1999, obliges the destruction of stockpiled mines and clearance of buried mines. As of December 2016, the number of contracting states is 162, including Japan.

landmine clearance and victim assistance).

In December 2016, the 15th Meeting of the States Parties to the Anti-Personnel Mine Ban Convention (the Ottawa Treaty) was held in Chile. At this Meeting, Japan looked back on its efforts to universalize the Ottawa Treaty in Japan to date, as well as its initiatives and achievements in supporting mine action. It also expressed its resolve to play a positive role going forward, with the aim of realizing a mine free world.

### **C The Arms Trade Treaty (ATT)**

The ATT<sup>38</sup> seeks to establish common international standards to regulate international trade in conventional weapons and prevent illegal trade in them. It was adopted at the UN General Assembly in April 2013, and came into force on December 24, 2014. At the 2nd Conference of State Parties held in August 2016, an official decision was made to establish a voluntary trust fund to promote the effective implementation of the Treaty, as well as to establish an informal working group on universalizing the Treaty. As one of the original co-sponsors of the UN General Assembly Resolution that initiated a consideration of the Treaty, Japan has taken the lead in discussions and negotiations in the UN, and contributed actively to discussions in Conference of State Parties after the Treaty entered into force. It is keeping up efforts to call on nations that have not yet done so to conclude the Treaty without delay.

### **D Convention on Certain Conventional Weapons (CCW)**

The Convention on Certain Conventional Weapons (CCW) prohibits or restricts the use of conventional weapons that are deemed to be excessively injurious or to have indiscriminate effects, and comprises a chapeau Convention that sets forth the procedural matters, etc., as well as five annexed Protocols that regulate the individual conventional weapons, etc. The chapeau Convention came into force in 1983<sup>39</sup>. Japan has ratified the chapeau Convention and the annexed Protocols I to IV, including the revised Protocol II. At the 5th Review Conference held in December, a decision was made to establish a governmental Meeting of Experts on Lethal Autonomous Weapons Systems (LAWS), in response to concerns among the international community against a background of the growing military use of robots in recent years.

### **E Small Arms and Light Weapons**

Described as “weapons of mass destruction” in terms of the carnage they cause, small arms and light weapons continue to proliferate due to their ease of operation, and cause the drawing out and escalation of conflict, as well as hinder the restoration of public security and post-conflict reconstruction and development. In addition to contributing to efforts within the UN, such as the annual submission to the UN General Assembly of a resolution on small arms and light weapons, Japan supports various projects to combat small arms and light weapons across the globe,

<sup>38</sup> As of December 2016, the number of signatory states to Army Trade Treaty (ATT) is 130, and contracting states is 87. Japan signed the Treaty on the day that it was released for signing, and in May 2014, became the first country in the Asia Pacific region to become a contracting state.

<sup>39</sup> As of December 2016, 123 countries have ratified the Convention on Certain Conventional Weapons (CCW).

including weapons recovery and disposal programs and training courses.

## 5 Japan's Efforts at the United Nations (UN)

### (1) The United Nations (UN)

#### A Japan-United Nations (UN) Relationship

The year 2016 is a milestone year that marks the 60th anniversary of Japan's accession to the United Nations (UN). On December 18, 1956, Japan became the 80th member state of the UN, which was established in response to the two preceding world wars, with the aim of saving future generations from the horrors of war. Since its accession, Japan has proactively contributed to world peace and prosperity through the UN.

The UN is an international organization with a universal character, in which almost all the countries in the world join (193 countries as of December 2016). With a high level of expertise, it addresses various challenges that the international community faces in diverse areas, including conflict resolution and peacebuilding, counter-terrorism, disarmament and nonproliferation, development, human rights, environment and climate change, and disaster risk reduction.

Since January 2016, Japan has been serving as a non-permanent member of the UN Security Council for two years, fulfilling a key role in the maintenance of peace and security in the international community. This is Japan's 11th term as a non-permanent member, which is more frequent than any other UN Member State. As a non-permanent member of the UN Security Council, and taking the opportunity of the



UN Headquarters (Photo: UN Photo/Andrea Brizzi)

60th anniversary of Japan's accession to the UN, Japan has been putting even greater effort into achieving the diplomatic goals that cannot be achieved by one country alone by further strengthening cooperation through the UN, including responding to global issues.

In September 2016, Prime Minister Abe and Foreign Minister Kishida attended the 71st UN General Assembly.

In his speech delivered at the General Debate of the UN General Assembly for the fourth consecutive year, Prime Minister Abe expressed Japan's resolve to lead the UN Security Council's discussions in view of the fact that the threat posed by North Korea's nuclear tests and ballistic missiles launches has reached a new level. He also raised the abductions issue, and appealed to the international community on the need for the early resolution of the issue. In the context of the 60th anniversary of Japan's accession to the UN, Prime Minister Abe spoke about the global contributions that Japan built up in the UN since its accession, and underscored that Japan will spare no effort in strengthening the UN in





Prime Minister Abe attending the UN General Assembly (September 21, New York, U.S. Photo: Cabinet Public Relations Office)



Dialogue between Prime Minister Abe and UN Secretary-General Ban Ki-moon (September 20, New York, U.S. Photo: Cabinet Public Relations Office)

the next 60 years as well. Finally, he closed his speech by appealing to the Member States that fundamental changes in the UN governance structure is necessary in light of the evolving international situation in order to strengthen the UN, and that the reform of the Security Council is a matter of urgency.

One of the main agenda issues of the 71st UN General Assembly was the situation in Syria, where humanitarian conditions are deteriorating as a result of conflict, and the response to the related refugee and migrant issues.

Prime Minister Abe delivered a statement at the “United Nations Summit for Refugees and Migrants.” After introducing “human security” and “the humanitarian

and development nexus” as Japan’s approach to the refugee and migrant issue, he announced that Japan will provide about 2.8 billion US dollars over the three years, from 2016 to 2018, in humanitarian and self-reliance assistance to refugees and migrants, as well as support to host countries and communities.

Prime Minister Abe also attended the “Leaders’ Summit on Refugees” hosted by President Obama of the United States, and announced that Japan would offer the following forms of support in addition to the aforementioned assistance: (1) approximately 100 million US dollars in cooperation in total to the World Bank Global Crisis Response Platform; (2) Implementation of human resource development, including educational assistance and vocational training, for approximately 1 million people affected by conflicts; and (3) Support for Syrian refugees and host communities provided by the Japan Overseas Cooperation Volunteers.

Furthermore, Prime Minister Abe attended the UN Security Council High-level Briefing on Syria. In his statement, he pointed out the importance for the UN Security Council to strongly promote the improvement of humanitarian access and the transition to a political process. In addition, as Japan’s concrete contribution measures, he expressed that Japan will provide 1.13 billion US dollars in support to Syria, Iraq, and the neighboring countries in 2016 in cooperation with international organizations.

He also attended the reception for “HeForShe,” a UN Women’s campaign that calls for men to be involved in promoting gender equality. In addition to

disseminating Japan's initiatives toward the realization of a "society where all women shine," he also encouraged the participants to play an active part.

Prime Minister Abe took full advantage of his attendance at the UN General Assembly to engage actively in dialogues with key persons, including the leaders of various countries.

In his meeting with UN Secretary-General Ban Ki-moon, Prime Minister Abe affirmed that Japan will continue working closely with the UN on North Korea's nuclear and missile development, and explained that the enforcement of the Legislation for Peace and Security would enable Japan to contribute further to the international community in the area of security, including UN peacekeeping operations (PKO).

In his dialogue with President of the 71st UN General Assembly, Peter Thomson, Prime Minister Abe expressed that Japan hopes to work closely with the UN in areas including the UN Security Council reform, development, and refugee issues. In response, President Thomson explained that achieving the 2030 Agenda for Sustainable Development is positioned as a matter of the highest priority, and that he hopes to move forward on negotiations on the UN Security Council reform while working closely with UN Member States.

Prime Minister Abe hosted the 3rd Japan-Pacific Islands Leaders Meeting, and affirmed that cooperation between Japan and the Pacific Island countries was being implemented. Prime Minister Abe also called for cooperation in areas including addressing the issue of North Korea, the rule of law at sea, and the UN Security Council reform. Prime Minister Abe also took the initiative to strengthen bilateral

relations by engaging in dialogue with the U.S., the UK, Qatar, Pakistan, Turkey, Iran, Afghanistan, Colombia, and Ukraine, and informal talks with President Obama and Premier of the State Council of the People's Republic of China Li Keqiang.

During his stay in New York, Prime Minister Abe attended the Invest Japan Seminar, the Visit Japan Tourism Seminar, a dialogue with the New York-based business and financial community, and a reception showcasing Japanese cuisine. Through these events, he offered direct explanations to experts and business people about Japan's economic and financial policies, and actively disseminated information about Japan's appeal, including its tourism resources and Japanese cuisine. Prime Minister Abe and Foreign Minister Kishida also attended a social gathering with UN Japanese staff, providing them with encouragement along with expectations for them to play an even more active role in the UN.

Foreign Minister Kishida chaired the G7 Foreign Ministers' Meeting and the Japan-U.S.-ROK Trilateral Foreign Ministers' Meeting, and co-chaired the 8th Ministerial Meeting of the Friends of the Comprehensive Nuclear Test Ban Treaty (CTBT) and the Japan-CARICOM Ministerial-Level Conference, and attended a total of eight multilateral conferences including the G4 Foreign Minister's Meeting on the reform of the UN Security Council. Taking the opportunity of attending the UN General Assembly, he held Foreign Minister's meetings with eight countries and thereby strengthened relationships of mutual trust with his counterparts from other countries.

## **B The Security Council of the United Nations (UN Security Council) and its Reform**

### **(A) The Security Council of the United Nations (UN Security Council)**

The UN Security Council holds the primary responsibility within the UN for maintaining international peace and security. Its activities, including peacekeeping operations based on UN Security Council resolutions, are diversifying and its role is expanding year by year, encompassing the efforts to address new threats such as the proliferation of weapons of mass destruction and terrorism.

In this context, Japan has served as a non-permanent member of the UN Security Council for two years since January 2016 for the 11th time, which is more frequent than any other UN Member State. In the UN Security Council, Japan actively contributes to discussions on topics such as regional situations and peacebuilding. In particular, Japan has made great efforts towards the adoption of the two UN Security Council Resolutions in response to the nuclear tests in January and September and the repeated ballistic missile launches conducted by North Korea. In July, when Japan held the Presidency of the UN Security Council, it made significant contribution to discussions concerning the maintenance of international peace and security, with Foreign Minister Kishida chairing the Open Debate on “Peacebuilding in Africa”, for example. (See Special Feature “Activities as a Member of the United Nations Security Council”)

In 2016, the UN also moved forward on the process of electing the next Secretary-General to succeed former Secretary-General Ban Ki-moon, who had completed a

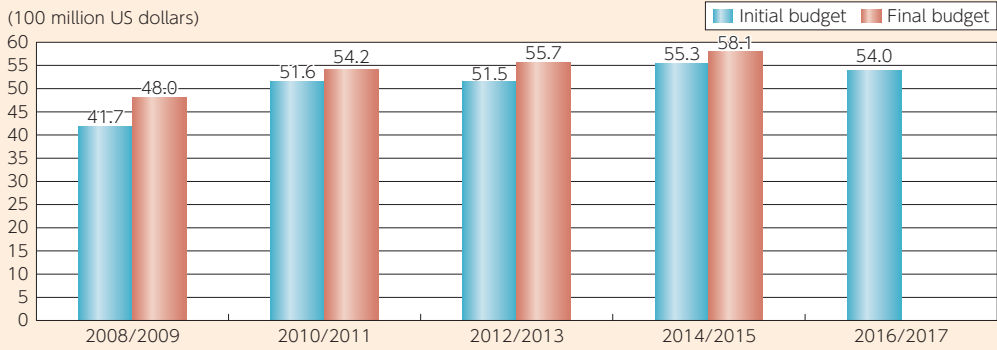
ten-year term (re-elected once). In October, the UN Security Council recommended the appointment of the former United Nations High Commissioner for Refugees (former Prime Minister of Portugal) Guterres to the UN General Assembly, and the resolution to appoint Mr. Guterres as the incoming UN Secretary-General was adopted at the General Assembly. In its involvement in the election process as a member of the UN Security Council, Japan has been engaged in numerous discussions with Secretary-General Guterres concerning the current state and the future of the United Nations, and it will continue to cooperate closely with him.

### **(B) Reform of the Security Council of the United Nations**

The composition of the UN Security Council has basically remained unchanged even today, more than 70 years since the establishment of the United Nations, despite significant changes to the structure of the international community and diversification of the UN’s functions. There is a shared recognition in the international community on the necessity of an early reform of the UN Security Council, in order to improve its legitimacy, effectiveness, representativeness, and transparency.

Japan has contributed actively to the international community in such areas as disarmament and non-proliferation, peacekeeping and peacebuilding, and human security. To enable it to play an even more proactive role toward the realization of world peace and security through the UN, Japan has been making outreach efforts to other countries in pursuit of an early realization of the UN Security Council reform and its admission as a permanent

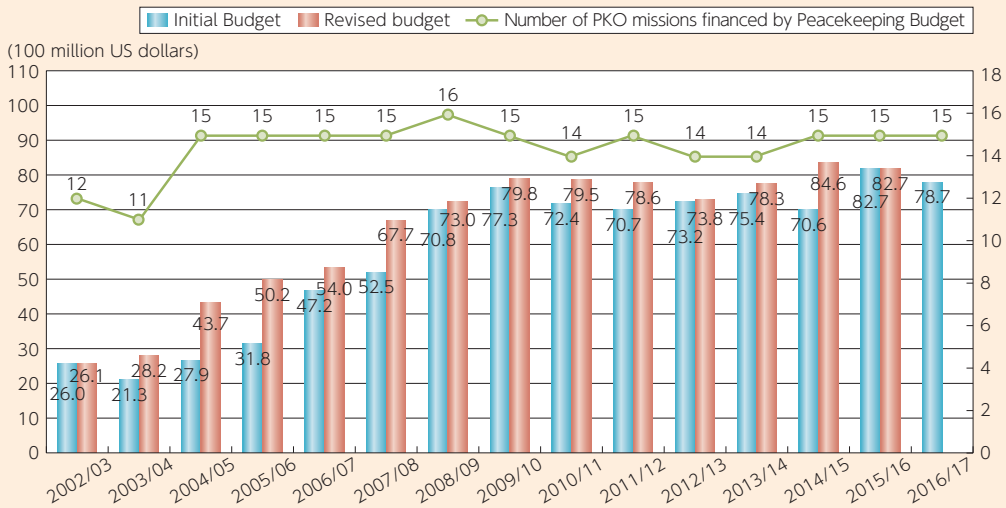
Changes in UN biennial regular budgets (2008-2017)



(Note) A "final budget" includes an additional demand generated in the course of a biennial budget or an additional budget adjusted for inflation, etc.

Source : UN documents

Changes in the Peacekeeping Operations (PKO) Budget and the number of PKO missions (2002-2017)



Source : UN documents

The ratio of contribution to the UN Regular Budget by major Member States

Ranking**	Country	2013-2015	2016-2018	Increase/decrease by points
1	U.S.	22.000%	22.000%	+ 0
2	Japan	10.833%	9.680%	- 1.153
3	China	5.148%	7.921%	+ 2.773
4	Germany	7.141%	6.389%	- 0.752
5	France	5.593%	4.859%	- 0.734
6	UK	5.179%	4.463%	- 0.716
7	Brazil	2.934%	3.823%	+ 0.889
8	Italy	4.448%	3.748%	- 0.700
9	Russia	2.438%	3.088%	+ 0.650
10	Canada	2.984%	2.921%	- 0.063

\* The numbers refer to rank for 2016-2018.

### The ratio of contribution to the UN Peacekeeping Budget by major Member States

Ranking*	Country	2015	2016	2017	2018
1	U.S.	28.3626%	28.5738%	28.4691%	28.4344%
2	China	6.6368%	10.2879%	10.2502%	10.2377%
3	<b>Japan</b>	<b>10.8330%</b>		<b>9.6800%</b>	
4	Germany	7.1410%		6.3890%	
5	France	7.2105%	6.3109%	6.2878%	6.2801%
6	UK	6.6768%	5.7966%	5.7753%	5.7683%
7	Russia	3.1431%	4.0107%	3.9960%	3.9912%
8	Italy	4.4480%		3.7480%	
9	Canada	2.9840%		2.9210%	
10	Spain	2.9730%		2.4430%	

\* The numbers refer to rank for 2016-2018.

Source : UN documents

member through an expansion of both permanent and non-permanent seats.

#### (C) Recent activities regarding the reform of the UN Security Council

Since 2009, in the United Nations, Member States have been engaging in the Inter-governmental Negotiations on the UN Security Council reform under the General Assembly. At the Inter-governmental Negotiations for the 70th General Assembly that commenced in February 2016, Chair of the Inter-governmental Negotiations on UN Security Council Reforms Lucas drafted a document summarizing the key points of convergence, with respect to “the Relationship between the Council and the General Assembly”, and “size of an enlarged Security Council and working method of the Council”. In July, a consensus was reached at the UN General Assembly to continue with the Inter-governmental Negotiations at the 71st General Assembly (one year from September).

In addition, Japan also places great importance on strengthening its initiatives as a member of the G4 (Japan, India, Germany, and Brazil), a group that cooperates on promoting the reform of the UN Security



Foreign Minister Kishida at the G4 (Brazil, Germany India and Japan) Foreign Ministers' Meeting on the United Nations Security Council Reform (September 21, New York, U.S.)



UN Security Council Chamber (Photo: UN Photo/Loey Felipe)

Council. The Ministerial Meeting of the G4 Countries was held in September. During the Meeting, the countries agreed on building further momentum for the UN Security Council reform and continuing to work towards a comprehensive reform of the UN Security Council.

**Special  
Feature****Activities as a Permanent Member of the United Nations Security Council**

For two years since January 2016, Japan has been taking on the responsible role as a Non-Permanent Member of the United Nations Security Council for the 11th time, which is more frequent than any other UN Member State. Japan is actively working to maintain peace and security in the international community.

**[Adoption of United Nations Security Council Resolutions Concerning North Korea]**

In response to the nuclear tests and the launch of ballistic missile by North Korea, as a member of the UN Security Council, Japan took a leading role in discussions at the UN Security Council, working closely with the relevant countries including the United States and the Republic of Korea. As a result, the UN Security Council Resolutions 2270 and 2321 were adopted, strengthening sanctions against North Korea, and putting greater emphasis on the importance of human rights and humanitarian issues including the abduction issue. The adoption of these resolutions demonstrated the attitude of the international community as a whole in taking decisive action against North Korea. In addition, Japan has been actively taking part in the work of the Security Council Committee pursuant to resolution 1718 and encouraging the relevant countries to fully and strictly implement the UN Security Council resolutions.

In December, the meeting on the situation in North Korea, including its human rights situation, was held for the third consecutive year at the UN Security Council. At the meeting, meaningful discussions took place with respect to initiatives toward the resolution of human rights issues in North Korea, including the abduction issue and the Security Council's response to North Korea's nuclear and missile issues.

**[Security Council Open Debate on "Peacebuilding in Africa"]**

In July, Japan, serving as the president of the UN Security Council, hosted the Security Council Open Debate on Peacebuilding in Africa which Foreign Minister Kishida chaired. This open debate was attended by UN Secretary-General Ban Ki-moon, and government officials including the Foreign Minister Amina of Kenya, and Minister for Foreign Affairs and Senegalese Abroad of the Republic of Senegal Ndiaye, who made statements based on their experiences and knowledge in each country and engaged in comprehensive discussions. Many of the participating countries highly appraised Japan's initiative in organizing the open debate, and the Statement by the President of the Security Council was adopted at the conference. This statement emphasized the importance of institution-building, human resource development, confidence building, rule of law, and the use of science and technology with respect to peacebuilding in Africa.

**[Contribution to Individual Important Issues]**

Japan was actively involved in the processes for the selection of the next Secretary-General

of the UN and plays an active role in all UN Security Council issues aimed at maintaining peace and security in the international community, such as Prime Minister Abe's attendance at the UN Security Council High-Level Briefing on Syria. Japan also organized the Open Debate on the UN Security Council Working Methods. Furthermore, while serving as the Chair of the Security Council Informal Working Group on Documentation and Other Procedural Questions, Japan contributed to improving the transparency and working methods of the UN Security Council, through efforts such as enabling Non-Permanent Members to familiarize themselves with the procedures of the UN Security Council and prepare themselves more efficiently before joining the UN Security Council. Through such initiatives, Japan is taking the lead in discussions toward strengthening the functions of the UN Security Council.



Foreign Minister Kishida presiding over the Security Council Open Debate on Peacebuilding in Africa (July 28, New York, U.S.)

In addition, the Group of Friends on Security Council Reform was established in July. Comprising diverse groups such as the G4 as well as Africa, the Caribbean, the UK, France, and Northern Europe, all of which seek the reform of the UN Security Council. At the High-Level Meeting held in September, the Group members shared the recognition that the reform of the UN Security Council is an urgent issue, and affirmed their commitment to cooperate to realize a meaningful reform of the UN Security Council in an expeditious manner.

Japan will continue to be actively involved in the process for realizing the UN Security Council reform, in close cooperation with the countries that aim to promote such reform.

## **C Administrative and Budgetary Issues of the United Nations**

### **(A) Budget of the United Nations**

The UN budget is mainly composed of the

regular budget which is the biennial budget for the period from January to December of the next year, and the peacekeeping budget which is the one-year budget for the period from July to the following June.

The regular budget for the biennium FY2016- 2017 amounting to approximately 5.4 billion US dollars was approved in December 2015 (Approximately 8% less than the amount of the final budget for FY2014 / 2015 which is approximately 5.81 billion US dollars). In June 2016, the budgets for peacekeeping operations for FY2016 / 2017, amounting to approximately 7.87 billion US dollars in total, were approved (Approximately 4.84% less than the final budget for the previous fiscal year).

### **(b) Japan's Contribution**

The budget, which supports the activities of the UN, is composed of assessed contributions by member states and voluntary contributions by Member States

in accordance with their policy needs. With regard to the assessed contributions, Japan contributes approximately 240 million US dollars to the UN regular budget for 2016, ranking second only to the U.S. Its contribution to peacekeeping operations for 2016 was approximately 1.02 billion US dollars, coming third after the U.S. and China. As a major financial contributor, Japan has been encouraging the UN to make more efficient and effective use of its resources.

UN Secretary-General Ban Ki-moon, who served until the end of 2016, has promoted management reform as one of his priorities, and Japan has continued to support his initiative. It is expected that such reforms will enhance efficiency of the financial, budgetary, and human resource management. However, it is anticipated that it will take some time for the measures introduced previously to bear fruit. While continuing to bridge differences in the respective views of member states, Japan is actively contributing to the discussion with other member states and the UN Secretariat to ensure concrete progress in administrative and budgetary reforms.

## 6 The Rule of Law in the International Community

### (1) Strengthening of the Rule of Law for the Diplomacy of Japan

Japan regards efforts to strengthen the rule of law as one of the pillars of its foreign policy. It opposes unilateral attempts to change the status quo by coercion and strives to maintain its territorial integrity,

secure its maritime and economic rights and interests, and protect its citizens. For example, Japan raises the “Three Principles of the Rule of Law at Sea,” advocated by Prime Minister Abe, at various opportunities including international conferences such as the UN General Assembly, and undertakes initiatives to promote the rule of law in the international community. At the G7 Ise-Shima Summit held in May, the “Three Principles” were supported by G7 leaders and resulted in the shared recognition among the G7 countries. From the perspective of promoting the rule of law in the international community, Japan continues to contribute to the peaceful settlement of disputes between states based on international law, formation and development of a new order of international law, and the development of legal systems and human resources in various countries.

### A Peaceful Settlement of Disputes

In order to encourage the peaceful settlement of disputes via international judicial institutions while striving to comply faithfully with international law, Japan accepts the compulsory jurisdiction of the International Court of Justice (ICJ), which is the principal judicial organ of the United Nations<sup>40</sup>, and cooperates with international courts and tribunals in various ways, including through provision of human and financial resources. Notably, those currently in service include Judge Hisashi Owada at the International Court of Justice (ICJ), President of the ICJ from March 2009 to February 2012, Judge Shunji Yanai at the International Tribunal

<sup>40</sup> A declaration that states parties to the Statute of the ICJ recognizes as compulsory ipso facto and without special agreement, in relation to any other state accepting the same obligation, the jurisdiction of the ICJ, in accordance with Article 36, paragraph 2 of its Statute. Only 72 countries including Japan have deposited such a declaration to date.



Special  
Feature

## Japan in the UN: 60th Anniversary

The year 2016 represents a major milestone, marking the 60th anniversary of Japan's accession to the United Nations. Taking this opportunity, many events associated with the UN were held in Japan and abroad. Throughout the year, the Ministry of Foreign Affairs worked together with relevant organizations to conduct lectures and hold photography exhibitions in various locations, as well as to organize a nationwide "UN Wall Newspaper" contest for elementary and junior high school students, and a video message competition entitled "The Future of Japan and the UN." These events and activities drew many visitors and participants.

On December 19, the Commemorative Ceremony of the 60th Anniversary of Japan's Accession to the United Nations, organized jointly by the Ministry of Foreign Affairs and the United Nations Association of Japan, was held at the United Nations University in Tokyo. The event was graced by the presence of Their Imperial Highnesses the Crown Prince and Crown Princess .

In his opening remarks, State Minister for Foreign Affairs Kishi reflected on the 60 years of history of Japan in the UN, and pointed out that Japan, which made a fresh start as a peace-loving nation after World War II, has consistently attached great importance to UN diplomacy. He also stated that Japan will continue to play an active role in the areas that form the three pillars of the UN's activities—namely peace and security, development, and human rights.

His Imperial Highness the Crown Prince touched on his role and activities as the Honorary President of the United Nations Secretary-Generals' Advisory Board on Water and Sanitation (UNSGAB), and explained that the UN has continued to work tirelessly toward solving various problems in his opening address. His Imperial Highness the Crown Prince also spoke about the growing importance of the UN in tackling issues confronting the international community.

Prime Minister Abe spoke about Japan's efforts in the areas of peace, refugees, and development in his congratulatory address. He explained that Japan has established the vision of "Proactive Contribution to Peace" based on the principle of international cooperation, and described Japan's resolve to contribute even more actively than before in areas such as PKO and "Human Security." He also declared Japan's commitment toward realizing the reform of the UN Security Council, and toward further fulfilling its duties as a permanent member of the Council.

The Commemorative Ceremony included a keynote speech and a panel discussion by experts, a panel session with UN Goodwill Ambassadors and representative of the Global Compact Network Japan, as well as a presentation contest by high school and university students who had been involved in the activities of Japan Model United Nations. Lively discussions concerning the future of Japan and the UN were held.

In April, a commemorative concert by Fuzjko Hemming, organized by the Permanent

Mission of Japan to the United Nations and the Fuzjko Hemming Office, was held at the UN Headquarters in New York. In December, the Permanent Mission of Japan to the United Nations invited Master Plasterer Naoki Kusumi to conduct a wall-making demonstration and other activities as a part of “Compassion for the Earth” a commemorative event for the 60th anniversary of Japan’s accession to the UN. In his congratulatory address, UN Secretary-General Ban Ki-moon, who had graced the event, expressed his gratitude for Japan’s contribution to the UN in the 60 years since its accession. He expressed that peace is the foundation for all hopes and dreams, and inscribed the Japanese characters for “peace (平和)” in the wall. Ambassador Koro Bessho, Permanent Representative of Japan to the United Nations, spoke about the contributions that the Government of Japan has made to the three pillars of the UN —peace and security, development, and human rights—, and inscribed the Japanese character for “faith (信)” from the word “trust” in the wall.

In the General Debate at the UN General Assembly held in September 2016, Prime Minister Abe expressed that Japan will spare no effort in strengthening the UN in the next 60 years to come, as it did over the past 60 years. Taking the opportunity of this 60th Anniversary, Japan will continue to reinforce its international contribution through the UN more actively than ever.



His Imperial Highness the Crown Prince speaking at the Commemorative Ceremony of the 60th Anniversary of Japan's Accession to the United Nations  
Attendees from right: Prime Minister Abe, State Minister for Foreign Affairs Kishi, and Dr. Genshitsu Sen, President of the United Nations Association of Japan (December 19, Tokyo (United Nations University))



UN Secretary-General Ban Ki-moon (fifth from right) and Ambassador Bessho, Permanent Representative of Japan to the United Nations (sixth from right) who inscribed messages in the wall created by Master Plasterer Kusumi (far right), as well as the Permanent Representatives of respective countries of the United Nations (December 19, New York, U.S. (UN Headquarters))

for the Law of the Sea (ITLOS; see 3-1-6 (2)), President of the ITLOS from October 2011 to September 2014, and Judge Kuniko Ozaki at the International Criminal Court (ICC; see 3-1-6 (5)), Second Vice-President of the Court from March 2015 to February 2018. In addition, Japan is the largest financial contributor to the ITLOS and the ICC. Through these contributions, Japan is striving to improve the effectiveness and universality of international courts and tribunals. To further strengthen the structure of the Ministry in dealing with

international litigations, efforts are ongoing to foster greater expertise on judicial proceedings at the Ministry and especially by the International Judicial Proceedings Division which was established in the International Legal Affairs Bureau of the Ministry of Foreign Affairs in April 2015.

### **B** International Rule-making

International rule-making that responds to issues the global community faces is one of the important efforts to strengthen the rule of law. In developing these

international rules Japan has participated actively in negotiations in the respective individual fields and taken the initiative in rule-making processes since the planning phase, in order to reflect Japan's own principles and opinions in cross-sectoral initiatives in the UN, etc., and ensure the appropriate development of international laws. Specifically, Japan has been actively involved in the rule-making process within various international frameworks including the codification work being undertaken by the International Law Commission (ILC) and the 6th Committee of the United Nations General Assembly, as well as the preparation of conventions and model laws in the field of private international law at forums such as the Hague Conference on Private International Law (HCCH), the United Nations Commission on International Trade Law (UNCITRAL), and the International Institute for the Unification of Private Law (UNIDROIT). During the election of the ILC in November 2016, Dr. Shinya Murase, professor emeritus of Sophia University, was re-elected. He has been serving in the ILC as Special Rapporteur on the topic of "Protection of the Atmosphere" since 2014 and has contributed greatly to the ILC's codification work. Japan also dispatches government representatives to various meetings of the HCCH and UNCITRAL, taking an active lead in discussions. Professor Hideki Kanda from Gakushuin University serves as a board member of UNIDROIT. Japan also cooperates with the Asian-African Legal Consultative Organization (AALCO), a regional forum on international law, by providing personnel and financial support.

### **C** Domestic legislation and other matters

Not only does Japan take steps to appropriately improve its own national laws so as to comply with international law, but it also actively supports the development of legislation of Asian countries and undertakes international cooperation related to the rule of law in order to further develop the rule of law. For example, the Ministry of Foreign Affairs and the Japanese Society of International Law, supported by the Nippon Foundation, co-organize the "Asia Cup," an international law moot court competition for students from Asia (including Japan) with the aim of raising awareness about the importance of the peaceful settlement of disputes, nurturing future generations in the field of international law, and strengthening exchange and communication among them. In 2016, university students from 11 countries in Asia (Japan, India, Indonesia, Singapore, the ROK, Thailand, China, Nepal, the Philippines, Vietnam, and Malaysia) competed in written and oral pleadings on the theme of "The Sea."

With respect to Japan's international judicial cooperation including capacity building in the area of criminal justice,



International Law Moot Court Competition "Asia Cup 2016" (August; Ministry of Foreign Affairs, Tokyo. Photo: Secretariat of Asia Cup Organizing Committee)

Japan played an active part in presenting its contribution at events held on the sidelines of the AALCO Annual Session and the 6th Tokyo International Conference on African Development (TICAD VI).

## (2) Initiatives in the Maritime Sector

In recent years, there has been an increasing number of cases of international friction and tension taking place in the seas of Asia, attracting significant concern from international society. Against this backdrop, Prime Minister Abe advocated the “Three Principles of the Rule of Law at Sea” at the Shangri-La Dialogue in May 2014, which are (1) making and clarifying claims based on international law; (2) not using force or coercion in trying to drive their claims; and (3) seeking to settle disputes by peaceful means. Japan has raised the “Three Principles” at various fora, including international conferences. At the G7 Ise-Shima Summit held in May 2016, the “Three Principles” were supported by G7 leaders and resulted in the shared recognition among the G7 countries. At the G7 Foreign Ministers’ Meeting held in September during the UN General Assembly, the G7 Foreign Ministers shared the view that they remained concerned about the situation in the East China and South China Seas and reconfirmed the G7’s



International Symposium on the Law of the Sea (February 16 and 17; Mita Kaigisho, Tokyo)

position of emphasizing the rule of law. They also shared the view that the G7 will continue to work together to thoroughly ensure the rule of law.

The UN Convention on the Law of the Sea (UNCLOS) plays an important role in the rule of law at sea. UNCLOS established the International Tribunal for the Law of the Sea (ITLOS) for the peaceful settlement of maritime disputes and maintenance and development of the legal order at sea. Japan, promoting the rule of law at sea, attaches importance to the role played by ITLOS. Japan has provided personnel to the Tribunal by producing two Japanese judges successively and has also been the largest financial contributor since the establishment of ITLOS which celebrated its 20th anniversary in 2016.

Likewise, the Commission on the Limits of the Continental Shelf (CLCS) and the International Seabed Authority (ISA) also play important roles in the operation of the system for defining the outer limits of a continental shelf, and management of deep sea-bed mineral resources. Japan continues to cooperate with these organizations in both the human and financial resources (see 3-1-3 (4)).

Aiming to foster common understanding about the rule of law at sea among states, the Ministry of Foreign Affairs held the 2nd International Symposium on the Law of the Sea in February 2016, following on from the symposium held in the previous year. Against the backdrop of heightened interest of the international community in the development of marine resources and accompanied by factors such as technological progress, this symposium was held under the theme of “International Law for the Resources of the Sea: Scientific

Advances, Preservation of Environment, Equity in Benefit Sharing.” Vigorous discussions were held among experts from Japan and abroad on various international legal issues related to deep seabed mineral resources, the continental shelf resources, and the marine biodiversity in areas outside the national jurisdiction area.

### (3) Initiatives in the fields of politics and security

It remains vital to ensure the smooth and effective operation of the Japan-U.S. Security Treaty in order to bolster the foundations of Japan’s foreign policy and security. In January 2016, Japan signed the New Special Measures Agreement (Agreement between Japan and the United States of America concerning New Special Measures regarding Facilities and Areas and the Status of United States Armed Forces in Japan), and this agreement entered into force in April, the same year with the approval of the Diet. In September 2016, Japan signed the Japan-U.S. Acquisition and Cross-Servicing Agreement (ACSA) to enable the application of the same framework of settlement procedures, etc., as under the previous agreement, with respect to the provision of goods and services made possible by the Legislation for Peace and Security (see 3-1-2).

In efforts to more proactively promote international cooperation in the field of security as well, Japan has engaged in negotiations on agreements concerning the transfer of defense equipment and technology. In February 2016, the agreement with the Philippines was signed.

Japan also continues to undertake negotiations towards the conclusion of a peace treaty with Russia, which is a key

issue.

In addition, Japan has been working on establishing a legal framework for information security that may serve as an improved foundation for the sharing of classified information related to the interest of national security with relevant countries. Following the U.S., NATO, France, Australia, UK, and India, Japan signed the agreement on the Security of Information with Italy when Foreign Minister Kishida visited Italy in March 2016. In November the same year, Japan also signed the agreement on the Protection of Classified Military Information with the ROK.

In the field of nuclear energy, among the ongoing negotiations of bilateral nuclear cooperation agreements, Japan signed the agreement with India in November 2016 when Prime Minister Modi of India visited Japan.

### (4) Initiatives in the fields of the economy and society

The conclusion and implementation of international agreements that bring legal discipline to cooperative relationships with other countries in the economic sphere is becoming increasingly important in order to promote the liberalization of trade and investment, as well as people-to-people exchanges, and to strengthen the foundations for the overseas activities of Japanese citizens and companies. The agreements that Japan signed or concluded with various countries and regions in 2016 include tax conventions, investment treaties, social security agreements, and air services agreements. Japan also worked on negotiations with the Asia-Pacific region and Europe for Economic Partnership Agreements (EPAs), actively promoting

negotiations on broader regional economic partnership such as the Free Trade Agreement (FTA) among Japan, China, and the ROK, the Regional Comprehensive Economic Partnership (RCEP) and the Japan-EU EPA. Regarding the Trans-Pacific Partnership (TPP) Agreement, the conclusion of the agreement was approved by the Diet in December. In the field of bilateral EPAs, the EPA between Japan and Mongolia entered into force in June.

In the field of intellectual property protection, the Patent Law Treaty and the Singapore Treaty on the Law of Trademarks entered into force in Japan in June. With a view of protecting and enhancing the livelihoods and activities of Japanese citizens and companies, Japan is working on the appropriate implementation of existing international agreements as well as utilizing the dispute settlement system of the WTO.

In social fields such as human rights, fisheries, maritime affairs, aviation, labor and social security, which are closely linked with the livelihoods of the people, Japan is actively participating in negotiations to ensure that Japan's stance is reflected in international agreements. In addition, in the field of environment and climate change, the Minamata Convention on Mercury was concluded in February, while the Paris Agreement in the field of climate change was concluded in November.

#### (5) Initiatives in the field of criminal justice

The ICC is the first-ever permanent international criminal court for prosecuting and sentencing individuals who have committed the most serious crimes of concern to the international community

in accordance with international law. Since becoming a State Party to the ICC Rome Statute in October 2007, Japan has consistently cooperated with the ICC's activities in various ways. Financially, Japan is the largest contributor to the ICC, accounting for approximately 16.5% of the entire contributions to the Court as of 2016. In regards to human resources, Japan has consistently produced judges since its accession to the ICC (Judge Kuniko Ozaki currently in service). Furthermore, Mr. Motoo Noguchi, Member of the Board of the Directors of the Trust Fund for Victims (TFV), was re-elected as the Chair of the Board in April 2016, while Mr. Hiroshi Fukuda continued to serve as Member of the Advisory Committee on Nominations of Judges (ACN). These developments demonstrate Japan's active cooperation for the activities of the ICC. As the ICC evolves as a full-fledged international criminal justice institution, it is imperative to secure cooperation with the ICC, establish the principle of complementarity, and to ensure the efficiency and effectiveness of its judicial procedures. Through the Assembly of States Parties, Japan engages in addressing these challenges, including by serving as Co-chair for the Study Group on Governance and Focal Point on for non-cooperation issues.

In addition to those efforts related to the ICC, in the face of an increase in cross-border crime in recent years, Japan is further working on ensuring the submission of required proof from other countries. Japan is also proactive in improving legal frameworks for promoting international cooperation in the field of criminal justice. Japan has been working on negotiations toward concluding such international

agreements as the Treaty on Mutual Legal Assistance in Criminal Matters (MLAT)<sup>41</sup>, the Treaty on Extradition<sup>42</sup>, and the Treaty on the Transfer of Sentenced Persons<sup>43</sup>.

## 7 Human Rights

### (1) Initiatives within the UN

#### A UN Human Rights Council

The UN Human Rights Council was established in 2006 as a restructured version of the Human Rights Committee, in order to strengthen the UN's ability to address human rights issues, as part of a movement toward mainstreaming human rights in the UN. The Human Rights Council holds sessions throughout the year in Geneva (three regular sessions per year, lasting at least ten weeks in total), to discuss issues and make recommendations concerning the protection and promotion of human rights and fundamental freedoms.

At the high-level segment of the 31st Session held in March, Parliamentary Vice-Minister for Foreign Affairs Masakazu Hamachi delivered a statement. He expressed concern for the human rights situations in Syria and North Korea, and spoke about various changes in the human rights situations in countries around the world, as well as the position of the Government of Japan. He also introduced examples of the assistance that Japan has implemented to date, including support for the rebuilding of societies so that they do not give rise to extremism, support for refugees, and cooperation with the UN



UN Human Rights Council (Photo: UN photo/Jean-Marc Ferre)



Scene of panel discussion on the human rights situation in North Korea (December 1, New York, U.S. (UN Headquarters))

Human Rights Council.

During the same Session, the Resolution on the Situation of Human Rights in the Democratic People's Republic of Korea (DPRK), co-tabled by Japan and the European Union (EU), was adopted without a vote (adopted for nine consecutive years). This resolution condemns in the strongest terms North Korea's ongoing systematic, widespread and gross human rights violations. In addition, it welcomes the decision of the UN Security Council to hold a Council meeting, during which the situation of human rights in North Korea was discussed and looks forward to the continued and active engagement of the UN Security Council on this matter.

<sup>41</sup> The legal framework that allows more efficient and prompt cooperation with authorities of other countries in the aspects of criminal investigation and procedures.

<sup>42</sup> A legal framework having comprehensive and detailed provisions regarding the extradition of criminals to enable more effective cooperation for repressing crime.

<sup>43</sup> A legal framework aiming to facilitate the social rehabilitation of foreign prisoners by giving them the possibility of serving their sentences in their own countries.

Furthermore, it also requests the UN High Commissioner for Human Rights to designate the independent experts to focus on issues of accountability for human rights violations in North Korea and also requests the experts to recommend practical mechanisms of accountability to secure truth and justice for the victims of possible crimes against humanity in North Korea.

At the UN General Assembly held in New York in October, an election was held for the membership of the UN Human Rights Council. Japan was elected as a member state during the first round of voting. As a result of this election, Japan will serve as one of the members of the UN Human Rights Council for a three-year term starting from January 1, 2017.

Japan will continue to be actively engaged in discussions in the UN Human Rights Council to resolve human rights issues in the international community.

### **B The Third Committee of the UN General Assembly**

The Third Committee of the UN General Assembly is, along with the Human Rights Council, the UN's main forum focused on human rights. In October and November, the Committee discusses a wide range of issues, including social development, women, children, racial discrimination, refugees, crime prevention, and criminal justice, as well as the human rights situations in North Korea, Syria, and Iran, among others. Resolutions adopted by the Third Committee are submitted to a plenary session of the General Assembly, contributing to the development of international norms.

Every year, since 2005, Japan and the EU have co-tabled the Resolution on

the Situation of Human Rights in North Korea at the UN General Assembly. In 2016, Japan and the EU again co-tabled the resolution at the Third Committee of the 71st session of the General Assembly, which was adopted without a vote at the Third Committee in November and the plenary session in December (adopted for the 12th time, for 12 consecutive years). The resolution is stronger than that of last year in its content, which is based on the previous year's UN General Assembly resolution reflecting the final report of the Commission of Inquiry on Human Rights in the DPRK (COI), and on the Human Rights Council resolution of March. Specifically, along with the condemnation of North Korea's systematic, widespread and gross human rights violations, it urges North Korea to urgently take measures to end all human rights violations, including the immediate return of all abductees. In addition, it expresses grave concern about the impact of North Korea's diverting of resources to advance nuclear weapons and ballistic missiles programs on the humanitarian and human rights situation in North Korea. Furthermore, it also encourages the UN Security Council to take appropriate actions, including through consideration of referral of the situation in North Korea to the International Criminal Court (ICC) and consideration of the further development of sanctions in order to target effectively those who appear to be most responsible for human rights violations.

On December 1, a panel discussion entitled "The Situation of Human Rights in the Democratic People's Republic of Korea (DPRK) - Current Situation and Initiatives by the International Community" was held at the UN Headquarters, co-sponsored by



Japan, Australia, the EU, the ROK, and the United States of America. Katsunobu Kato, Minister in charge of the Abduction Issue, represented the Government of Japan as a panelist and appealed to the international community the gravity of the abductions issue and the urgency of rescuing the abductees facing the fact that the abductees and their family members are aging. During the event, there was an active discussion about the international coordination toward improving the human rights situation in North Korea, including realizing the return of all abductees at the earliest possible date.

In addition, Japan also actively participated in discussions on the human rights situations in individual countries, such as Syria, Iran, and Myanmar, as well as discussions on various human rights issues (social development and the rights of the child etc.). Japan participated actively in discussions in the international community toward protecting and promoting human rights, in cooperation with civil society, such as by dispatching a female representative of a Japanese NGO to serve as the Alternate Representative of Japan at the Third Committee of the 71st session of the UN General Assembly, as it has done previously.

## (2) Initiatives Concerning International Human Rights Law and International Humanitarian Law

### A International Human Rights Law

In June, at the 16th Meeting of States Parties to the Convention on the Rights of the Child, an election for the members of the Committee on the Rights of Child was held. Mikiko Otani (lawyer), the candidate nominated by Japan, was elected as the

first Japanese candidate. Furthermore, at the 9th Session of the Conference of State Parties to the Convention on the Rights of Persons with Disabilities (CRPD) held in June, an election for the members of the Committee was held. Jun Ishikawa (Professor, University of Shizuoka), the candidate nominated by Japan, was elected as the first Japanese candidate.

The Government's periodic reports on the status of the implementation of the various human rights conventions that Japan has concluded are carefully and seriously examined, with reference to the provisions of the relevant conventions. In June, the Government submitted its initial State Party's report of CRPD to the Committee on the Rights of Persons with Disabilities. Japan also submitted its first Government Report concerning the International Convention for the Protection of All Persons from Enforced Disappearance to the Committee on Enforced Disappearances in July. Furthermore, in March, June, and December, the Government submitted to the Human Rights Committee the additional information and comments in response to the request of the Committee for relevant information on the implementation of the specific recommendations made in the concluding observations of the Committee on the sixth Periodic Report of Japan. In August and December, the Government submitted additional information on Japan's initiatives in response to the request of the Committee on the Elimination of Racial Discrimination for information on the recommendations made in the concluding observations of the Committee for the seventh, eighth, and ninth Combined Periodic Reports concerning the International Convention on the Elimination

of All Forms of Racial Discrimination submitted by the Government.

### **B International Humanitarian Law**

Japan participated actively in discussions held in Geneva on strengthening the International Humanitarian Law, which seek to strengthen the implementation of the International Humanitarian Law and to protect those who have been deprived of their liberty. At the diplomatic meeting of States Parties of the International Humanitarian Fact-Finding Commission (IHFFC) held in Switzerland in December, an election was held to select members of the IHFFC. Shuichi Furuya (Professor, Waseda University), the candidate nominated by Japan, was re-elected. Moreover, as part of its efforts to promote awareness and understanding of International Humanitarian Law, MOFA dispatched a lecturer to the International Humanitarian Law Moot Court Competition hosted by the International Committee of the Red Cross (ICRC), as it did in 2015.

### **(3) Initiatives Undertaken via Bilateral Dialogue**

In addition to initiatives within the UN and other multilateral frameworks, Japan recognizes the importance of bilateral dialogues, in order to protect and promote human rights. The 11th Japan-Iran Human Rights Dialogue was held in February (in Tehran), and the 22nd Japan-EU Human Rights Dialogue was held in July (in Tokyo). In addition to exchanging information on their respective initiatives in the field of human rights, the participants in these dialogues exchanged opinions concerning cooperation in multilateral fora such as the UN.

### **(4) Contribution to Refugees Issues**

From the perspective of international contribution and humanitarian aid, Japan started accepting refugees from Myanmar who were temporarily residing in Thailand, under a resettlement program that ran from FY2010 to FY2014 (which is defined as the transfer of refugees from the country in which they have sought protection to a third country that agrees to accept them).

In addition to accepting refugees from Myanmar who were residing temporarily in Malaysia since FY2015, Japan also welcomes the eligible relatives of those who are already resettled in Japan, based on the premise of mutual aid with Thailand. Since FY2010, 123 people from 31 families have come to Japan under this program.

Until now, the main destinations for refugees to be accepted for resettlement have been Western countries, and Japan is the first Asian country to accept resettled refugees. Accordingly, Japan has attracted both high praise and high hopes from the international community in regard to its proactive efforts to address refugee issues. Amid a recent increase in the number of applicants seeking refugee status in Japan, Japan is continuing its efforts to provide



Scene of ceremony to mark the start of Japan's Resettlement Project for refugees (October 6. Photo: Refugee Assistance Headquarters)

finely tuned support to those who truly need it.

## 8 Women

Japan has been calling for the realization of “a society where all women shine,” and strengthening its efforts to that end.

### (1) Matters agreed upon at the G7 Ise-Shima Summit

At the G7 Ise-Shima Summit, Japan led the discussion on gender issues as one of the priority agenda. The G7 leaders endorsed the “G7 Guiding Principles for Capacity Building of Women and Girls” and the “Women’s Initiative in Developing STEM Career (WINDS),” focusing on women’s empowerment through education and training, promotion of women’s active role in the fields of natural science and technology, as well as women, peace and security (WPS).

### (2) World Assembly for Women, “WAW! 2016”

Prime Minister Abe took the initiative to host the 3rd World Assembly for Women “WAW! 2016,” on December 13 and 14, which brought together 93 leaders from various fields related to the empowerment of women from 11 international organizations and 26 countries. The theme of 2016 was “WAW! for Action.” Japan sent a message to change “attitudes” through “action” aiming for a society in which all people can participate in their own way without constraints. Participants called for a change in the current way of working that obstruct women’s social participation and mindset about role sharing between men and women.

They also discussed women’s health, women’s participation and empowerment in the area of peace and security, and regional revitalization. This year’s proposal, “WAW! To Do 2016,” was sent out after the discussions and distributed as a UN document (A/71/829) following the 2015 version.

On the first day of WAW! 2016 (December 13), a special event, “Shining Future of Women in STEM (Science, Technology, Engineering and Mathematics) Fields,” was held as a part of the initiative called WINDS (Women’s Initiative in Developing STEM Careers) which was launched at the G7 Ise-Shima Summit.



Prime Minister Abe at the Public Forum of the World Assembly for Women (WAW! 2016) (December 13, Tokyo Photo: Cabinet Public Relations Office).



Participants of “Shining Future of Women in STEM Fields” (December 13, Tokyo).

### (3) International Cooperation for the Empowerment of Women in Developing Countries

During the General Debate Session at the UN General Assembly in 2013, Prime Minister Abe announced that the Government would be providing Official Development Assistance (ODA) of more than 3 billion dollars over three years until 2015 for three areas with a focus on the empowerment of women: (1) facilitating women's active participation in society and women's empowerment; (2) enhancing Japan's efforts in the area of women's health care as a part of the Strategy on Global Health Diplomacy; and (3) supporting women's participation and protecting their rights in the area of peace and security. These have been fully implemented. In May 2016, the government announced the "Development Strategy for Gender Equality and Women's Empowerment," formulated as one of the new thematic policies under the Development Cooperation Charter, and declared that measures would be implemented to train about 5,000 female government administrative officials and to improve the learning environment for about 50,000 girls over the three years from 2016 to 2018. At the 3rd World Assembly for Women (WAW! 2016) held in December the same year, Prime Minister Abe promised to provide support amounting to more than 3 billion US dollars for women in developing countries until 2018 focusing on: (1) promoting women's and girls' rights; (2) creating an enabling environment for women and girls to reach their full potential; and (3) advancing women's leadership in politics, economics, and other public fields. These measures are being steadily implemented.

### (4) Women Issues in the UN

The 60th session of the United States Commission on the Status of Women was held in March, and Japan sent a delegation comprising State Minister for Foreign Affairs Muto (Chief Delegate), Representative of Japan, Hiroko Hashimoto, representatives from various government ministries, the Japan International Cooperation Agency (JICA), and NGOs. At the conference, State Minister Muto chaired the Ministerial Roundtable and participated in an exchange of views among representatives from the respective countries about topics such as the empowerment of women and its relationship with sustainable development, the elimination and prevention of all forms of violence against women and girls, and other related issues. In his statement, State Minister Muto emphasized that Japan would fulfill its responsibility toward the 2030 Agenda as a member of the international community.

Japan contributed approximately 30 million US dollars in 2016 to the UN Women (United Nations Entity for Gender Equality and the Empowerment of Women) and the contributions are used in ways such as empowering Syrian refugee women and measures to counter violent extremism in Africa. Japan plans to continue to deepen its cooperation with the UN Women.

In September 2014, Japan submitted the 7th and 8th reports of the Government of Japan in accordance with the Convention on the Elimination of All Forms of Discrimination against Women to the United Nations. In addition to submitting its written responses to questions beforehand, Deputy Minister for Foreign Affairs Shinsuke Sugiyama and other delegates attended the consideration of reports held in Geneva on

February 16, 2016. There, they responded to questions posed by the Committee and explained the facts and efforts by the Government of Japan on the comfort women issue<sup>44</sup>. Since 1987, Japan has been sending Japanese committee members to the Committee on the Elimination of All Forms of Discrimination against Women.

#### (5) Initiatives Focusing on Sexual Violence in Conflict

As Prime Minister Abe stated in his speech at the UN General Assembly in September 2014, sexual violence as a tactic of war must not be overlooked. To put an end to non-punishment for perpetrators and to support victims of violence are important. Thus, Japan continues to attach great importance to build partnerships with international organizations such as UN Action and the UN Special Representative of the Secretary-General on Sexual Violence in Conflict and participate in discussions at various international forums. At the same time, Japan is engaging in more proactive efforts in this field to make the 21st century a world with no human rights violations against women.

In 2016, Japan provided financial support of 2.7 million US dollars to the Office of the Special Representative of the UN Secretary-General for Sexual Violence in Conflict, contributing to strengthening the police and judicial capabilities of states concerned. Furthermore, Japan continues to make voluntary contributions to the Trust Fund for Victims of the International Criminal Court, earmarking approximately 47,000 Euros for victims of sexual and gender-based violence in 2016. Through

such contributions, Japan engages in efforts to support victims of sexual violence in conflicts.

#### (6) National Action Plan regarding UN Security Council Resolution 1325

In order to realize a “peaceful” society more effectively, it is important to secure women’s participation in all stages in conflict prevention, conflict resolution, and peacebuilding, with mainstreaming of gender perspective. Japan formulated its first National Action Plan on Women, Peace and Security aimed at implementing UN Security Council Resolution 1325 and other related resolutions which ensure women’s inclusiveness in international peace and security efforts. Since 2016, the Action Plan has entered the implementation phase. Japan has been monitoring implementation status of the plan, and will publish its annual report at the end of FY 2016.

<sup>44</sup> For details of Deputy Minister for Foreign Affairs Sugiyama’s comments in the Q&A segment, refer to: <http://www.mofa.go.jp/mofaj/files/000136254.pdf> for Deputy Minister for Foreign Affairs Sugiyama’s comments for the Q&A segment.

## Column WAW! for Action ~ Our Individual Action Toward a Society Where Women Shine: Message from the WAW! 2016 Public Forum



The Government of Japan hosted World Assembly for Women, WAW! 2016, on December 13 and 14. In the 3<sup>rd</sup> WAW!, a total of 93 leaders active in various fields of women issues gathered from 26 countries and 11 international organizations.

WAW! 2016 was held under the theme of “WAW! for Action,” and sent out the message of a change in “attitudes” through “action” and aiming for a society in which all people can participate in their own way without constraints.

### Panel Discussion 1: Building Peace in Society by Women

[Moderator: Ms. Marriët Schuurman, NATO Secretary General's Special Representative for Women, Peace and Security. Panelists: Ms. Awut Deng Acuil, Minister of Gender, Child and Social Welfare, Republic of South Sudan, Ms. Sun Sreytouch, ICRC staff, Cambodia, and Ms. Sieng Sokchan, the captain of Cambodia's first women's wheelchair basketball team]



Ms. Marriët Schuurman

Ms. Schuurman explained that UN Security Council Resolution 1325, adopted in 2000, seeks the active involvement of women in decision-making processes at all levels of peace and security, and is the first resolution to recognize women on the peace and security agenda. She also explained that women play an important and active role in peace negotiations and peace processes. She stated when women and civil society are involved in peace negotiations and peace processes, the probability of failure is 64% lower than the cases where they are not. And 35% of the peace agreements that women have contributed are maintained for 15 years or more. Those prove that societies with less gender inequality tend to have fewer conflicts. She emphasized that women play vital roles in achieving peace. However, promoting the active involvement of women in peacebuilding and its processes account for only 0.4% of official development assistance (ODA); the percentage of women's involvement in peace processes has remained at a low level with just 9% as negotiators, 4% as signatories of peace agreements, 3% as military personnel and 10% as police in the UN's peacekeeping operations (PKO) (the UN's target for women's participation in both military and police is 20%). She pointed out those facts showed “lacking in the idea of inclusiveness of women.”

Ms. Awut explained her view that while women are intrinsically pacifists and arbitrators for peace, but local customs have created an environment that hampers women's leadership. They are also deprived of opportunities



WAW! 2016 Panel Discussion



Ms. Awut Deng Acuil

by the pervasive idea of male dominance over women at home. This has become the obstacle to the participation of women in peaceful societies. Ms. Awut spoke about her experience of visiting villages in South Sudan. She actually experienced existing unequal gender relations in villages through policies that cause discrimination against women. The idea of male dominance reproduces and reinforces the attitude to treat women just as voters but not as leaders in politics. It also reinforces the idea that women are not able to be leaders. As a result of the long period of oppression, women have become passive, and they tend not to advocate for their rights. Hence, Ms. Awut asserted that other than men, women should also change their mindset. In South Sudan today, positive action has been undertaken at the election to amend gender inequality in politics. As a result, the number of female parliamentary members has reached as many as 100, and women are also actively involved in peace processes. Ms. Awut emphasized that if women are given the opportunity, they will reach out and try to fulfill their purposes. However, it is vital for women to be more proactive to actively lead and promote rather than waiting for opportunities to arise.

Ms. Sokchan began by introducing her own life story. Despite discrimination and domestic violence by her family and husband after becoming paralyzed from the waist down by a stray bullet in a conflict, the establishment of the Battambang Women Wheelchair Basketball Team in 2012 through support from the International Committee of the Red Cross, empowered her to take place in society, and thereby she regained her confidence.



Ms. Sieng Sokchan



Ms. Sun Sreytouch

Ms. Sreytouch, who supports for disabled people, represented the voices from the field. She learned through her experience working with disabled women that disabilities are not a barrier in itself. If the community and society provide equal opportunities, they can do anything that a non-disabled person can do.

Finally, Ms. Schuurman concluded the session by stating that if women reach out to one another, they have the potential to change the world.

## Panel Discussion 2: Sports and Women

### ~ The environment surrounding female athletes, and issues specific to women ~

[Moderator: Ms. Maoko Kotani. Panelists: Ms. Kaori Icho (Gold medalist for wrestling in the Rio Olympics), Ms. Sae Tsuji (Bronze medalist for track and field in the Rio Paralympics), Ms. Mayumi Narita (Gold medalist for swimming in the Athens Paralympics), Ms. Hiromi Miyake (Bronze medalist for weight lifting in the Rio Olympics).]



Ms. Mayumi Narita and Ms. Hiromi Miyake

Ms. Icho explained that although men are physically stronger, women are more flexible and have greater mental resilience; for this reason, women excel competing as athletes for a long time.

Ms. Miyake, who also serves as a coach, explained that women's muscles are converted to fat more easily, so their bodies become more rounded if they take even a short break off from their training. Raising the example of needing to change the training programs for men and women, she pointed out that it is necessary to understand women's physical characteristics before training them.

Ms. Tsuji highlighted the lack of female trainers and staff, and stated her view that there are many advantages to having trainers and staff of the same gender. For example, female staff can assist female athletes with their uniforms and to help to undertake mental preparation before a game.



Ms. Rie Tsuji

Ms. Icho touched on the topic of specific changes in women's bodies. This topic can be sensitive for female athletes, due to symptoms such as weight increase or emotional instability around the time of menstruation. She also pointed out that athletes with severe symptoms sometimes take medication, and it is difficult to gain understanding of when the coaches and staff members are male. Hence, she highlighted the importance of consulting with physicians and finding medicines that are suitable for oneself.



Ms. Kaori Icho

Ms. Miyake spoke about marriage and childbirth as problems that are specific to female athletes. She explained the difficulty of balancing a sporting career with marriage and childbirth as it takes about three years to focus on training in order to compete in the Olympic and Paralympic Games. On the other hand, she talked about her hopes for a time in the future when female athletes are able to experience marriage and childbirth while continuing with their sporting careers.

Ms. Narita explained that as female athletes are constantly concerned about their competitions and their physical condition, they also wish to enjoy fashion and gourmet dining as women outside of their competitive life. She explained that this awareness of femininity was one of the things she had learned through sports.

### ~ Message to women in Japan and around the world ~

**Ms. Miyake:** We are entering an era where women are becoming more powerful. For example, many women have been successful in the Olympic Games in recent years. Despite differences in physical strength, I aim to take advantage of my feminine characteristics and



accomplish things that only I can do.

**Ms. Narita:** I hope to make the 2020 Paralympic Games a success with many people from around the world feeling glad that they come to Tokyo. Women hold significant power, so my aim is to provide support for women to utilize this power across the world.

**Ms. Tsuji:** While our world is still far from being comfortable for women to live in, and we sometimes experience difficulties in the workplace, I am eager to communicate the strengths of women to society by my involvement in sports. I hope that women can work together to realize women's active engagement in their respective sectors and in the areas they excel in.

**Ms. Icho:** As a woman who has, till now, experienced many valuable things through sports, and as a female athlete, I hope to highlight issues (matters concerning various issues) to society and put my best efforts into resolving these issues.

## Section 2

# Japan's International Cooperation (Development Cooperation and Response to Global Issues)

### Overview

#### (Development Cooperation Charter and Strategic Use of ODA)

More than sixty years have passed since Japan started its Official Development Assistance (ODA)<sup>1</sup> in 1954. Japan's development cooperation policy including ODA has greatly contributed to securing the peace, stability, and prosperity of the international community and consequently the national interests of Japan for many years.

On the other hand, the international situation with regard to development cooperation is at a major crossroad. The world is facing more diverse and complex challenges transcending national borders as the world becomes increasingly globalized. Furthermore, considering the growing roles of recent non-ODA public/private funds and support from emerging countries, it is important to collect wisdom and actions of developing countries as well as developed countries and various resources apart from the central government (corporations, local governments, NGOs, etc.). In this new era, it is essential for ensuring Japan's national

interests that Japan should consider development cooperation as a part of "Proactive Contribution to Peace" based on the principle of international cooperation, and strategically use ODA to address development and human rights issues while continuing to adhere to the course that Japan has taken to date as a peace-loving nation. Under the Development Cooperation Charter established based on this recognition (decided by the Cabinet in February 2015), there is a need to steadily implement the "2030 Agenda for Sustainable Development," the international development goals. It is also vital to establish anew a fully adequate system in order to secure the safety of Japanese people engaged in international cooperation abroad.

For Japan, development cooperation is one of the most important diplomatic tools and is essential for its proactive contribution to peace, stability, and prosperity of the international community, from humanitarian assistance such as initiatives to resolve issues concerning refugees in the Middle East and Africa, emergency assistance in response to disasters, to economic and

<sup>1</sup> For details on Japan's international cooperation, refer to "Japan's International Cooperation" of White Paper on Development Cooperation.

social development in developing countries such as infrastructure development and human resource development. At the G7 Ise-Shima Summit held in May, which Japan presided over, Japan announced that it would provide support of about 6 billion US dollars over three years for stabilizing the Middle East region, 1.1 billion US dollars to tackle global health issues, and support human resource development to promote the empowerment of women. In addition, at the TICAD VI held in August, Japan took strong initiative aimed at resolving international development issues, including announcements on its plan to invest in Africa's future through efforts such as human resource development for about 10 million people, development of quality infrastructure at a scale of 30 billion US dollars from the public and private sectors combined, the establishment of health systems, and building foundations for peace and stability.

The revitalization of Japan's economy through the growth of developing countries and its growth alongside these countries is also an important issue for Japan's national interest. As described in the "Japan Revitalization Strategy" (revised in June 2016) and "Infrastructure Systems Export Strategy" (revised in May 2016), it is necessary to utilize ODA strategically in order to further promote the overseas expansion of Japanese corporations. In May, Japan announced that it would provide financing of approximately 200 billion US dollars in the next five years to infrastructural projects across the world, as part of an all-Japan effort under the "Expanded Partnership for Quality Infrastructure." (see Special Feature "Quality Infrastructure Investment")

Based on the "Free and Open Indo-Pacific Strategy" proposed by Prime Minister Abe in August (see Special Feature "Free and Open Indo-Pacific Strategy"), it is important to promote quality infrastructure investment to strengthen the "connectivity" between Asia and the Middle East/Africa, while proactively utilizing ODA, so as to continue contributing to the peace, stability and prosperity of the international community.

Such efforts by Japan have won both high praise and trust from the international community. Japan has to continue and strengthen the efforts in the future so that Japan can lead the international community as a major responsible country in the world and ensure the international environment and order in line with Japan's national interests.

### **(Response to Global Issues)**

While globalization has resulted in dramatic economic and social development worldwide, it has also brought about diverse threats to human security. The threats include conflict, terrorism, disasters, global environmental issues such as climate change, global health issues including infectious diseases, human trafficking, refugee issues, labor issues, and economic crises. These global issues cannot be addressed by one country alone. The international community must work together based on the concept of human security. While the year 2015 was a "milestone year" because new frameworks for these global issues were formulated, the year 2016 was the first year for the implementation of these frameworks, and Japan exerted its leadership through TICAD IV and the G7 Ise-Shima Summit

that it presided over.

With the aim of implementing the Sustainable Development Goals (SDGs) that were adopted as international development goals with the year 2030 as the target deadline, the SDGs Promotion Headquarters was established within the Cabinet in May 2016, headed by the Prime Minister and comprising all Ministers as members. Japan's guidelines toward the achievement of the SDGs (SDGs Implementation Guiding Principles) were decided upon in December. In the area of disaster risk reduction, which is essential to realize sustainable development, the "Sendai Framework for Disaster Risk Reduction 2015-2030" was adopted at the Third United Nations World Conference on Disaster Risk Reduction in Sendai in March 2015, and steady efforts are underway to bring disaster risk reduction into the mainstream. The enactment of "World Tsunami Awareness Day" (November 5), adopted at the UN General Assembly in December 2015, was followed by the implementation of related activities in 2016 including events to raise awareness about the "World Tsunami Awareness Day" in Japan and around the world, as well as tsunami disaster evacuation exercises. In the area of health, Japan contributed to the international efforts in addressing global health challenges based on the "Basic Design for Peace and Health" formulated in September 2015 as its Global Health policy under the Development Cooperation Charter. These issues were highlighted at the G7 Ise-Shima Summit in May 2016, and TICAD VI in August the same year, where Japan took the lead in discussions

on health system strengthening, including strengthening response capability to public health emergencies such as infectious diseases, and promoting of Universal Health Coverage (UHC)<sup>2</sup> that contributes to crisis response.

In the area of climate change, the Paris Agreement was adopted at the 21st Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21) held in France in December 2015. This Agreement is a fair and effective framework that provides for the setting and submission of greenhouse gas emission reduction goals by each country independently, with no distinction between developing and developed countries, and for the implementation of initiatives toward the achievement of these goals. It entered into force on November 4, 2016. Japan completed its ratification procedures for the Paris Agreement on November 8 and participated actively in negotiations on the formulation of the relevant guidelines at COP22 (held in Morocco). The adopted agreement reflects Japan's assertions and established the continued negotiations on the relevant guidelines through the participation of all countries as well as the adoption of these principles by 2018.

Japan will continue to cooperate with the respective countries, international organizations, and civil society, etc., under the Global Partnership; promote human security including its areas of strength such as disaster risk reduction, health, women, and education; and work actively toward the resolution of global issues.

Arctic issues are coming up for debate in the international arena, as changes

2 To endure affordable access to basic health services for all whenever they need them throughout their lives

in the Arctic environment caused by global warming have brought about new possibilities such as the use of the Arctic Sea Routes and the development of natural resources, as well as challenges such as the serious impact on the vulnerable natural environment of the Arctic. Japan adopted “Japan’s Arctic Policy” with a view to contribute to the international community as a main player in addressing these issues. Taking this opportunity, Japan will participate even more actively in the formulation process of international rules concerning the Arctic through such initiatives as further strengthening its contribution to activities of the Arctic Council (AC), and demonstrating its view and efforts on Arctic issues at the occasion of bilateral and multilateral meetings other

than the AC.

In the Arctic Ocean, with the decline of sea ice of the Arctic Ocean caused by global warming, the development of natural resources and the use of new shipping routes via the Arctic Ocean have become a real possibility. On the other hand, environmental changes in the Arctic could have an impact not only on the Arctic ecosystems and the livelihoods of the indigenous people living there but also on the entire global environment. Based on “Japan’s Arctic Policy” adopted in 2015, Japan will actively participate in the international rule-making process over the Arctic, as well as promote global international cooperation on the Arctic through further contribution of the activities of the AC and expansion of bilateral and multilateral cooperation.



The launch of the Initiative for Food and Nutrition Security in Africa (IFNA), which aims to improve nutrition conditions in Africa, was declared at TICAD VI. (Photo: JICA)



Providing psychosocial support to Syrian refugees with disabilities (Jordan). JICA provides support through means such as the establishment of peer support groups in which persons with disabilities support one another, and promotes social participation among persons with disabilities. (Photo: JICA)

### (Science and Technology Diplomacy)

Science and technology constitute the foundational elements for peace and prosperity that support socioeconomic development, and play a vital role in security. In this regard, Japan’s advanced science and technology attracts a high level of international interest and expectations. Japan, through cooperation in science and technology, has been contributing to the development of science and technology at home and abroad, the promotion of relations with other countries, the peace and stability of the international community, and the resolution of global challenges. Japan is also placing emphasis on effective promotion of “science and technology diplomacy” through the activities of the Science and Technology Advisor to the Minister for Foreign Affairs.

## 1 Development Cooperation (ODA, etc.)

### (1) The Current Status of ODA

#### A FY2016 Priority Policy for Development Cooperation

From the perspective of “Proactive Contribution to Peace” based on the principle of international cooperation, development cooperation is one of the most important tools toward further contributing to securing the peace, stability, and prosperity of the international community, and promoting Japan’s diplomatic policies. With the aim of promoting strategic and effective development cooperation based on the Development Cooperation Charter, the Ministry of Foreign Affairs has positioned the following as priority issues



Syrian refugee camp located in the southeast part of Turkey, where most of the refugees are concentrated. Japan provides support mainly to local governments in Turkey with the aim of reducing the burden on the host country in areas such as water and sewage, and waste disposal. (Photo: JICA)



Users of the Health Insurance Subsidy Program (HISP) for the poor, which is one of the key actions supported by the Health Sector Policy Loan for Attainment of the Universal Health Coverage that Japan offers to Kenya. (Photo: JICA)

for FY2016 and will tackle these challenges while strengthening cooperation with various entities.

#### (A) Improving the environment and sharing universal values to achieve international peace and stability

Through cooperation on humanitarian assistance, counter-terrorism, peacebuilding, and strengthening maritime law enforcement capabilities, Japan contributes proactively to the realization of peace and stability for the international community. Japan is involved in cooperative initiatives including the development of legal systems and strengthening of governance in order to support efforts by countries sharing universal values such as democracy, the rule of law, and human rights, and to strengthen the



National Sports Event (South Sudan)  
This event was held for the first time after the country gained independence in 2011 with support from Japan. Athletes from different regions, of different ethnic groups, competed against one another in the spirit of fair play. (Photo: JICA)



Prime Minister Abe delivering a speech at the High-Level Panel on UHC in Africa, held during TICAD VI. (Photo: Cabinet Public Relations Office)

relationship of these countries with Japan. Through development cooperation, Japan also puts effort into fostering pro-Japanese groups and Japanologists, strengthening networks, and the active communication of Japan's appeal and initiatives to other countries.

### **(B) Addressing global challenges and promoting human security through implementation of the 2030 Agenda for Sustainable Development**

Japan has been accelerating the implementation of the 2030 Agenda for Sustainable Development based on the philosophy of human security. Japan will make efforts to address global issues through promoting cooperation in various areas such as health, education, disaster risk reduction, gender, and environment and climate change.

### **(C) Contributing to economic diplomacy and regional revitalization with the aim of achieving "quality growth" alongside developing countries**

In order to contribute to economic growth and regional revitalization in Japan, and at the same time, engage in cooperation toward the realization of "quality growth" in developing countries, Japan is involved in cooperative efforts that contribute to the export of infrastructure systems. In cooperation with economic diplomacy initiatives including the TPP agreement, it also works to improve the environment for foreign direct investment, and to support the overseas expansion of local governments and small and medium-sized enterprises. Furthermore, Japan provides support for the development of human resources for industries in developing countries and



International students who had come to Japan through the African Business Education Initiative for Youth (ABE Initiative), targeted at youths in Africa. These students are expected to play an active role in leading the business sector in Africa. (Photo: JICA)



Tsubasa Bridge (Neak Loeung Bridge) in Cambodia. This bridge was erected as a part of Japan's support for the Southern Economic Corridor in the Mekong Subregion. With a structure that looks like a bird spreading its wings, it was named "Tsubasa Bridge" as a prayer for further development of Cambodia's relationship with Japan. (Photo: JICA)

engages in cooperation on the international expansion of medical technologies and services through the promotion of Japanese standards.

### **(D) Strengthening cooperation with various entities**

In tackling the above-mentioned priority areas, (A) to (C), Japan seeks to strengthen cooperation with various entities. Based on the Development Cooperation Charter, Japan strives to establish the implementation systems necessary for the strategic expansion of its development cooperation, and at the same time, further strengthen cooperation with private companies, local governments, universities

and research institutions, NGOs and CSOs, and international/regional organizations.

## **B** Safety Measures for Personnel

### **Engaged in International Cooperation Projects**

In the terrorist attacks that struck Dhaka, the capital of Bangladesh, in July, seven Japanese engaged in ODA efforts lost their lives while one Japanese was injured. The government is determined to continue supporting developing countries, and to never give in to terrorism; however, the international terrorism situation is becoming increasingly severe. To ensure the safety of Japanese personnel engaged in international cooperation abroad, it is vital to establish a new system for ensuring utmost preparedness.

From the standpoint of such awareness, the Council on Safety Measures for International Cooperation Projects was established under the Minister for Foreign Affairs. After five meetings with participation from many members from the relevant ministries and agencies, the Council published its final report at the end of August which sets forth new safety measures for personnel engaged in international cooperation projects. The final report covered the safety measures that should be taken in cooperation between the MOFA and the JICA, with the relevant parties, in accordance with the following five pillars: (1) Strengthening the collection, analysis, and sharing of threat information; (2) Code of conduct of partners and NGOs; (3) Physical/non-physical protective measures, and strengthening training and

drills; (4) Post-crisis response; and (5) Heightening crisis management awareness and improving the organizational structure of the MOFA and the JICA.

Going forward, Japan will keep up the steady implementation of new safety measures in order to continue contributing proactively to the peace, stability, and prosperity in the international community as a responsible major power, and at the same time, ensure the safety of personnel engaged in international cooperation projects.

## **(2) Japan's Development Cooperation Performance and Approaches to Major Regions**

### **A** Japan's ODA Performance

In 2015, Japan provided approximately 15.03 billion US dollars in ODA<sup>3</sup>, 5.6% less than the previous year on the basis of total disbursements. Japan ranks fourth among the member states of the Organization for the Economic Co-operation and Development/ Development Assistance Committee (OECD/DAC), following the U.S., Germany, and the UK. In terms of net disbursements generally used for international comparison, the amount is about 9.2 billion US dollars, down 3.0% from the previous year, ranking fourth after the U.S., the UK, and Germany. The ODA/GNI ratio based on net disbursements was 0.21%, ranking 19th among member states of the DAC.

### **B** Approaches to Major Regions

#### **(A) Southeast and Southwest Asia**

The peace, stability, and prosperity in the

<sup>3</sup> The main forms of ODA from Japan are: grant aid, namely, bilateral fund donations; loan aid for development in developing regions; technical cooperation; donations or contributions to international organizations. Of these, loan aid for development accounts for the largest percentage. Loan aid for development is typically repaid with interest.



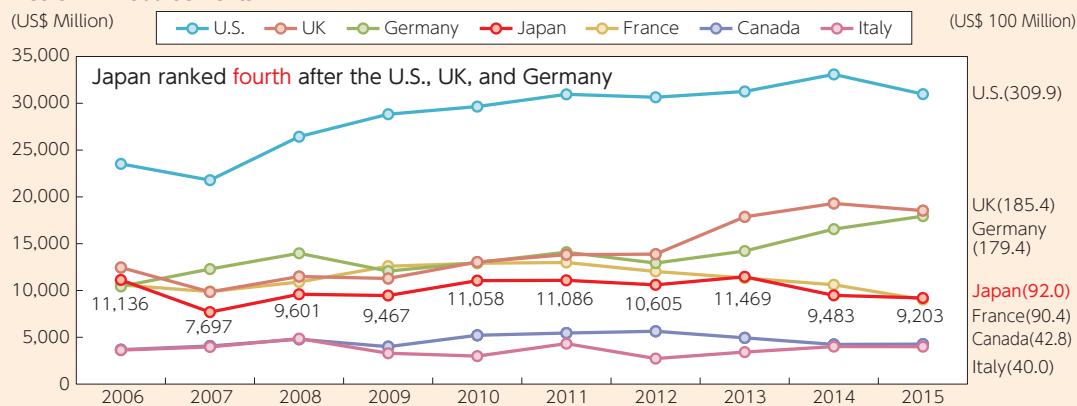
Southeast Asian region are important to Japan, which has a close relationship with the region. Japan has created momentum toward solutions for various development issues including poverty reduction, by promoting economic development and human security in the region through development cooperation, and also contributed to the development of the region.

Approximately 52.8% of the total bilateral ODA of Japan went to this region in 2015. A large portion of it is support for ASEAN countries. Considering that support for infrastructure building and training of

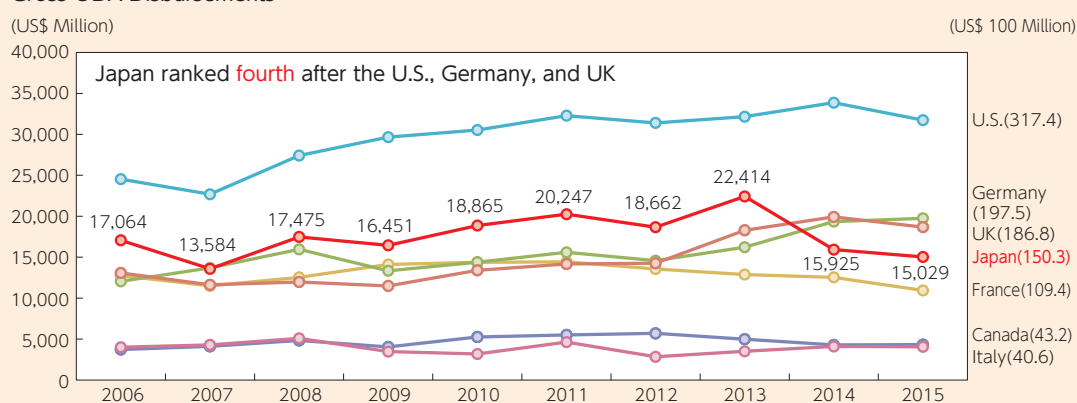
industrial human resources to strengthen regional connectivity and industrial foundation development are essential to sustainable growth in the region, Japan is implementing quality infrastructure development in various countries in the region, as well as providing steady support for the development of human resources for industries in the region based on the Industrial Human Resource Development Cooperation Initiative, which aims to develop 40,000 industrial human resources in the next three years. In light of the fact that the countries of ASEAN are located along Japan's sea lanes, and that the region

Recent Trend of ODA by Major Donors

Net ODA Disbursements



Gross ODA Disbursements



Source : DAC (the OECD Development Assistance Committee)

is an important one for regional security, Japan is steadily providing support in the area of maritime safety through ODA, including the provision of patrol boats and the related equipment, and human resource development. In addition to these efforts, Japan is also providing support to eradicate domestic disparity as well as in the region, and for the creation of a sustainable society in areas including disaster risk reduction, environment and climate change, and energy. At the same time, Japan has announced at the Japan-ASEAN Summit Meeting held in September 2016 that it will be contributing 45 billion yen in support and developing human resources of 2,000 people over the next three years toward the realization of Asia that is resilient against terrorism. Japan is also working proactively to tackle new challenges.

In the Mekong region, in accordance with the New Tokyo Strategy 2015 for Mekong-Japan Cooperation adopted at the Mekong-Japan Summit Meeting in July 2015, Japan announced that it will be providing steady support through 750 billion yen in ODA funding over the next three years. Under the new Japan-Mekong Connectivity Initiative launched at the Mekong-Japan Foreign Minister's Meeting held in July 2016, Japan will also support the realization of "vibrant and effective connectivity" through further infrastructure development, systemic improvements, and development of the surrounding areas in the region.

By providing such assistance, Japan aims to provide strong support to the ASEAN Community established in December 2015.

The economy has developed in Southwest Asia, but many issues such as undeveloped infrastructure and poverty

still remain unsolved. While also keeping in mind improving the investment environment for Japanese companies and human security, Japan provides a range of assistance through ODA to assist the region in overcoming these challenges.

With regard to Sri Lanka, Prime Minister Abe declared at the Japan-Sri Lanka Summit Meeting held in May that Japan will strengthen its cooperative relationship with Sri Lanka under the "Expanded Partnership for Quality Infrastructure" and develop the Port of Colombo and its surrounding areas through joint public-private efforts.

With regard to India, at the Summit Meeting held in November, the steady progress of the Mumbai-Ahmedabad High-Speed Railway Project was noted. Prime Minister Modi also expressed his gratitude to Japan for the important contributions that Japan's ODA has made toward the development and modernization of infrastructure in India.

### **(B) Central Asia**

The Central Asia and the Caucasus are geopolitically important areas surrounded by Russia, China, South Asia, the Middle East, and Europe. Its stability and development are important for all in the whole Eurasia, including Japan. Japan supports the "open, stable, and independent" development of Central Asia, and upholds the ideal of Japanese diplomacy that contributes to peace and stability in the region and around the world. Japan supports nation building that allows universal values such as human rights, democracy, market economy, and the rule of law to take root for long-term stability and sustainable development in this region with broad-based views covering neighboring regions including Afghanistan

and Pakistan in mind.

In 2016, as a follow-up to Prime Minister Abe's visit to Central Asia in the previous year, Japan engaged in cooperation in areas such as infrastructure development, health and medical care, border control, and anti-narcotics measures. It also strengthened cooperation in the area of human resource development, including support for highly skilled industrial human resource development by using Japanese style engineering education such as colleges of technology, expansion of the program for young government officials' study in Japan as well as the launch of new cooperative projects for Japan Centers. In-depth discussions were also held about cooperation in the areas of transportation and logistics, a new topic on cooperation in the "Central Asia+Japan" Dialogue.

### (C) Central and South America

Central and South America has enjoyed friendly relations with Japan for a long time and have deep historical ties with Japan, as demonstrated by the fact that about 2.13 million Japanese descendants, Nikkei, reside in the region. The region is a major supplier of resources and food, as well as a potential new market with gross regional production amounting to approximately 5 trillion US dollars. On the other hand, many countries in the region are confronted by problems such as domestic income disparity and poverty in the agricultural and mountainous regions. Central and South America is also highly vulnerable to natural disasters and it is becoming increasingly challenging to tackle problems in the areas of environment/climate change and disaster risk reduction. Japan is engaged in various cooperative efforts while also taking into



Parliamentary Vice-Minister for Foreign Affairs Kikawada visiting the Centro Paraguayo Japonesa, built and maintained through grant aid from Japan (May 6, Paraguay).

account the characteristics of each country in the Central and South America region.

In April, President Varela of Panama visited Japan, and the two governments signed an Exchange of Note concerning the "Panama Metropolitan Area Urban Transportation Line-3 Development Project" with the aim of contributing to sustainable economic growth in Panama. In September, Prime Minister Abe became the first Prime Minister of Japan to visit Cuba, where he stated Japan will promote economic cooperation in a substantive manner through the provision of grant aid, etc., and establish a local office of the JICA as well as other initiatives. In November, Prime Minister Abe visited Peru and Argentina. He announced continued support in the areas of environment and disaster risk reduction for Peru, and assistance for small and medium-sized enterprises for Argentina.

### (D) The Middle East

Securing peace and stability in the Middle East and North Africa regions, which are geopolitically important and important for energy security, is crucial not only for the stability of Japan but also of the world. From these standpoints, Japan

has proactively provided support for these regions to achieve peace and stability.

Taking the opportunity at the G7 Ise-Shima Summit held in May, Japan announced that it will provide support amounting to approximately 6 billion US dollars over the next three years, including support for human resource development for about 20,000 people. The objective is to build a “tolerant and stable society” in the Middle East while stemming the growth of violent extremism based on the stance that “the best way is to go is in the middle.” From the perspective of developing human resources capable of taking leadership roles in the reconstruction of Syria in the future, Japan announced that it will accept up to 150 Syrian students over the next five years.

At the United Nations Security Council High-level Briefing held during the UN General Assembly in September, Japan announced its intention to provide support amounting to about 1.13 billion US dollars during 2016 to assist refugees and displaced persons in Syria, Iraq, and the surrounding countries. Furthermore, at the “United Nations Summit for Refugees and Migrants” and the “Leaders’ Summit on Refugees” hosted by President Obama of the U.S., Japan announced that approximately 2.8 billion US dollars in total will be provided for humanitarian and self-reliance assistance to refugees and migrants and to host countries and communities during the three years from 2016, as well as support amounting to approximately 100 million US dollars to the World Bank’s Global Crisis Response Platform.

Furthermore, Japan and the international community are providing support in nation-building, toward the stability and

self-reliance of Afghanistan in order to prevent it from stepping back into a hotbed of terrorism. At the Brussels Conference on Afghanistan, participating countries and organizations pledged support of a total of 15.2 billion US dollars. Japan announced its intention to continue its assistance worth up to 40 billion yen per year for four years from 2017 to 2020, based on the principle of mutual accountability whereby the ability of the Afghanistan government to produce results on its commitment toward reform hinges on the continued support of the international community.

### **(E) Africa**

Africa has achieved a significant economic growth thanks to abundant natural resources and a rapidly growing population. As a potential market, it is attracting the attention and anticipation of the international community. Since 1993, Japan has worked with African countries as well as supporting countries and organizations to tackle Africa’s development issues through the processes of the Tokyo International Conference on African Development (TICAD), and continued to provide support toward the realization of economic growth in Africa. TICAD processes further strengthen relations between Japan and Africa and serve as a forum for discussing the further development of Africa while respecting the ownership of the African countries. For these reasons, the TICAD framework has been highly appraised by the countries of Africa. Initially held once every five years, it became an event held once every three years after the 5th session in 2013. TICAD VI was held in August 2016 and was the first TICAD meeting to be convened in

Africa, in Nairobi, Kenya (see Special Feature “TICAD VI ~ The Private Sector’s Interest in Africa”).

TICAD VI welcomed the participation of delegates from 53 countries in Africa, including ministerial-level delegates as well as delegates from development partner countries, countries in Asia, international organizations, regional organizations, the private sector, and NGO representatives. Active discussions were held on: (1) Economic diversification and industrialization; (2) Promoting resilient health systems; and (3) Promoting social stability. As a result, the Nairobi Declaration was adopted with these three priority areas as the pillars of the declaration. Prime Minister Abe, who co-chaired the summit, said in his keynote speech that in the three years between 2016 and 2018, Japan will invest in the future of Africa with 30 billion US dollars from the public and private sectors combined. In line with the three priority areas outlined in the Nairobi Declaration, this investment will be injected into initiatives such as the human resource development for approximately 10 million people by harnessing Japan’s strength of possessing “high-quality”, developing quality infrastructure and promoting resilient health systems as well building the foundations for peace and stability.

The next TICAD, which will be TICAD VII, is scheduled to be held in Japan in 2019. Going forward, Japan will harness its strengths to provide steady support in areas such as economic growth that incorporates private-sector investment, development, and the promotion of social stability. At the same time, Japan will build mutually beneficial relationships with the countries of Africa and will continue to contribute to

the realization of Africa’s “quality growth” through cooperation between the public and private sectors.

### (3) Approaches to Appropriate and Effective Implementation of ODA

#### A Approaches to Appropriate Implementation of ODA

In the implementation of ODA, efforts are made to enhance transparency by exchanging external experts at each phase and formulating projects based on these discussions. In the phase of preliminary studies in the implementation of ODA, the Development Project Accountability Committee has held open sessions and decides whether studies should be implemented based on reviews and discussions conducted with external experts. Furthermore, after the implementation of the project, the JICA publishes on its website the ex-post evaluation results for all projects valued at 200 million yen or more, while ex-post evaluations are also conducted by third parties for projects valued at 1 billion yen or more. The matters pointed out in such ex-post evaluations are applied to the formulation of future ODA projects.

#### B Approaches to Effective Implementation of ODA

ODA is implemented through three frameworks corresponding to the needs of the partner country and the scale of the project: grant aid, loan aid, and technical cooperation. In order to utilize the limited budget efficiently and achieve a high level of development, the MOFA and the JICA take into account the needs of the partner country, establish priority areas of cooperation for each country, and

formulate projects that contribute to these areas while going beyond the boundaries of each framework. For example, in the landlocked country of Rwanda, the high costs of transportation when passing through the land to enter the ocean poses a significant challenge. For that reason, Japan has offered grant aid to construct new bridges and facilities (One-Stop Border Post: OSBP) to facilitate border procedures at the border between Rwanda and Tanzania and has provided support to improve the operational capability of the OSBP facility through technical cooperation. To further promote such initiatives, Japan decided in July to provide support, through loan aid, for repairing and extending the roads that connect Rwanda to the Tanzania border.

Japan also contributes to the creation of international frameworks for effective ODA implementation. The Global Partnership for Effective Development Cooperation (GPEDC) exists as a framework that various development entities participate in with the aim of enabling the international community to work as one toward improving the effectiveness of development cooperation for developing countries. These entities are not limited to developed and developing countries, but also include civil society, the private sector and so on. Japan has been serving on the Steering Committee of the GPEDC since September 2015. At the 2nd High-level Meeting of the GPEDC in November 2016, Japan introduced its initiatives in the areas that are its strengths, such as triangular cooperation, and these initiatives were highly appraised by other participants.

### **C Efforts toward Promotion of Information Disclosure and Improvement Development of Cooperation Quality**

The understanding and support from Japanese citizens is essential for the implementation of development cooperation. Therefore, efforts are made for effective communication and higher quality of development cooperation to enhance their understanding of ODA. Various PR events took place aiming to reach out to a wide range of people. Specifically, participatory type events such as “Global Festa Japan 2016,” Japan’s largest event for international cooperation, in Odaiba, Tokyo, in October, and “One World Festival” in Osaka City in February were held. In addition to these, a TV publicity program (If I Change, the Future will Change: Search for the Treasures of Japan that Have Travelled Across the Seas!) was broadcasted to present some examples of international cooperation activities conducted by Japan all over the world, and to explain the meaning of development cooperation for Japan in an easy-to-understand manner, based on the reports from ODA sites in developing countries. Also, efforts are continuously made to deliver information on development cooperation through the ODA website. Furthermore, based on the Development Cooperation Charter, which declares enhanced efforts for overseas publicity, Japan plans tours to its development cooperation project sites for the local media so that they will cover Japan’s cooperation, and prepares PR pamphlets in English and local languages.

In order to raise the quality of ODA, it is necessary to apply knowledge and know-how gained from ODA evaluations

to subsequent policy planning and project implementation. MOFA carries out evaluations by external experts at a policy and program level, and the results are shared and used by relevant parties. Also, from the viewpoint of improving transparency of the JICA's projects, the JICA publicizes their current status and achievements on the "Visible ODA" section of its website. As of the end of December 2016, a total of 3,724 projects are listed on this site.

## 2 Response to Global Issues

### (1) 2030 Agenda for Sustainable Development

The "2030 Agenda for Sustainable Development (the 2030 Agenda)" is a set of international development goals to be achieved by 2030, which was adopted by the UN summit in September 2015 as a successor to the Millennium Development Goals (MDGs).

The 2030 Agenda lists the "Sustainable Development Goals (SDGs)" consisting of 17 goals and 169 targets that are interrelated and closely linked to each other, and which serve as development goals for the whole of the international community including developed countries. Japan has consistently and proactively contributed to discussions and negotiations for the 2030 Agenda even before full-fledged discussions got underway in the international community. At the G7 Ise-Shima Summit, held under Japan's G7 Presidency, the commitment toward achieving the SDGs was affirmed as a priority issue in development cooperation. In May, with the aim of exerting leadership as the chair of the summit, Japan decided to establish the SDGs Promotion Headquarters headed by the Prime Minister and composed

of all Cabinet Ministers as members, and to formulate its guiding principles toward the implementation of the SDGs. While advancing on the formulation of the guiding principles, SDGs Promotion Round Table Meetings were held in September and November, bringing together a wide range of stakeholders from NGOs, academia, private sector, and international organizations to exchange their views. Public comments were also solicited. As a result, the SDGs Implementation Guiding Principles, comprising the text of the guiding principles and an appendix, was adopted at the Second Meeting of the SDGs Promotion Headquarters held in December. These Guiding Principles set forth the vision to "Become a leader toward a future where economic, social and environmental improvements are attained in an integrated, sustainable and resilient manner while leaving no one behind," and prescribe five implementation principles and contents for follow-up action. As pillars for initiatives aimed at the achievement of the vision, the document points out the SDG areas that Japan should put particular effort into, and lists eight priority issues drawn up by reconstructing the contents of the SDGs to correspond to the Japanese context. The appendix consists of 140 domestic and foreign policies submitted by the relevant ministries and agencies as concrete measures to be promoted for each of the eight priority issues. Under these Implementation Guiding Principles, Japan will work in cooperation with a wide range of stakeholders, and continue to take the lead in global efforts to achieve the SDGs.

### A Human Security

Human security is a concept aiming at

creating a community in which people can fully develop their potential through protecting all individuals, and at the same time empowering them to solve their own problems. Japan identifies human security as one of its diplomatic pillars and has been working on dissemination and implementation of this notion through discussions at the United Nations, the use of the UN Human Security Trust Fund established by Japan's initiatives, and also Grant Assistance for Grassroots Human Security Projects. The 2030 Agenda also reflects the notion of human security as its core value such as "people-centered" and "leave no one behind" and its core reflects the concept of human security.

### **B Approaches in the Area of Disaster Risk Reduction**

In the area of disaster risk reduction, 200 million people are affected by disasters every year (90% of the victims are citizens of developing countries) and the annual average loss incurred by natural disasters is over 100 billion US dollars. Disaster risk reduction is essential for realizing poverty eradication and sustainable development.

Japan, having experienced many disasters, hosted the Third United Nations World Conference on Disaster Risk Reduction in Sendai in March 2015, and took the lead in the adoption of the "Sendai Framework for Disaster Risk Reduction," a guideline for efforts by the international community in disaster risk reduction that covers 15 years from 2015. Japan is also actively involved in cooperation in the area of disaster risk reduction, announcing the "Sendai Cooperation Initiative for Disaster Risk Reduction" as an independent contribution from Japan, and declaring the provision

of cooperation amounting to 4 billion US dollars over the next four years from 2015 to 2018 and the development of about 40,000 human resources in total.

Coinciding with the World Tsunami Awareness Day (November 5), proposed by Japan and enacted at the 70th UN General Assembly held in December 2015, Japan took the lead in organizing various conferences and evacuation drills in 2016 to raise awareness about tsunami in countries around the world; in November, the High School Students Summit on "World Tsunami Awareness Day" in Kuroshio was held in Kuroshio, Kochi Prefecture. About 360 high school students from 30 countries including Japan participated in this Summit, where they learned about the history of tsunami in Japan, as well as its disaster readiness and mitigation efforts, delivered presentations about future issues and initiatives in their own countries, and adopted the "Kuroshio Declaration" as the outcome document of the Summit.

Going forward, Japan plans to share the experience and lessons obtained from past disasters with the world, and continue to promote the "mainstreaming of disaster risk reduction" to have every country incorporate disaster risk reduction in its policies.

### **C Approaches in the Area of Education**

In the area of education, Japan announced "Learning Strategy for Peace and Growth," a new strategy for Japan's international cooperation on education, in line with the timing for the adoption of the "2030 Agenda for Sustainable Development" in September 2015. The new strategy specifies "educational cooperation to achieve inclusive, equitable and quality



Special  
Feature**Sustainable Development Goals (SDGs)**  
~ Cooperation with a Wide Range of stakeholders ~

The SDGs were adopted unanimously at the UN Sustainable Development Summit held in September 2015. They set out 17 goals and 169 targets to be achieved by 2030 for the entire international community including developed countries. The SDGs build on the targets established under the Millennium Development Goals (MDGs), which include poverty, hunger, health, education, gender, and water and hygiene. In addition to further promoting these goals, the SDGs also incorporate goals that were not clearly set out in the MDGs, including economic growth, infrastructure, and climate change measures. As the SDGs are comprehensive and cover a broad scope, cooperation with a wide range of stakeholders (private-enterprises, NGOs, academia, etc.) is vital in order to achieve them.

To that end, the Government of Japan has engaged in exchanges of opinions with the people from diverse fields as part of its process of formulating the “SDGs Implementation Guiding Principles,” which is a set of guidelines for Japan’s initiatives. Specifically, the SDGs Promotion Round Table Meeting was established under the umbrella of the SDGs Promotion Headquarters in September 2016. This Round Table Meeting brings together relevant parties from the government, NGOs, NPOs, experts, private sectors, international organizations, and various organizations to exchange their opinions, with the aim of cooperating with a wide range of stakeholders to promote Japan’s initiatives toward achieving the SDGs. The first meeting was held in September 2016, and the second meeting in November of the same year, as members engaged in discussions toward the formulation of the SDGs Implementation Guiding Principles. The basic framework of the SDGs Implementation Guiding Principles was established based on discussions held during the first meeting, and public comments were solicited from the general public in October, between the two meetings. Taking into account the diverse views and feedback received through this process, the final SDGs Implementation Guiding Principles were adopted by the SDGs Promotion Headquarters in December.

A joint press conference was held on the day of the launch of the Guiding Principles. This was hosted by the Japan Civil Society Network on SDGs, an organization established by civil society such as NGOs and NPOs to promote the SDGs. This press conference was attended by members of the Round Table Meeting and government representatives, who welcomed the formulation of the SDGs Implementation Guiding Principles and declared their resolve toward the implementation of the SDGs. Under the Guiding Principles, the Government of Japan will strengthen cooperation with a wide range of stakeholders toward the realization of “a society where no one is left behind,” and promote the steady implementation of the SDGs.



Second SDGs Promotion Round Table Meeting (November 11, Tokyo, Ministry of Foreign Affairs)



Joint press conference of the Japan Civil Society Network on SDGs (December 22, Tokyo, Japan National Press Club)

learning,” “educational cooperation for industrial, science and technology human resource development and sustainable socio economic development,” and “establishment and expansion of global and regional networks for educational cooperation” as guiding principles. Based on these guiding principles, Japan is providing various forms of educational support in countries around the world. It is also an active participant in education support-related fora including the Global Partnership for Education (GPE).

#### **D Approaches in Agricultural Areas**

In coordination with the relevant countries, such as G7 or G20 member states and international organizations, Japan has delivered assistance for agriculture and rural development in developing countries. In April, Japan hosted the G7 Niigata Agriculture Ministers’ Meeting. At this Meeting, the “Niigata Declaration,” which seeks to strengthen global food security, was adopted and issued.

#### **E Approaches in the Area of Water**

Japan has continuously been the largest donor in the area of water since the 1990’s and has implemented high quality assistance utilizing Japan’s experiences,

expertise, and technologies. Japan proactively participates in discussions in the international community, and tackles global issues in the area of water based on its contributions to date.

#### **(2) Global Health**

Overcoming health issues that threaten lives and hinder all kinds of social, cultural and economic activities is a common global challenge directly linked with human security. Japan has advocated human security, which underlines the “Proactive Contribution to Peace” and has acted in support of that principle. Japan regards health as its indispensable element. Japan has achieved the world’s highest healthy life expectancy and is further expected to play a proactive role in the area of health. Japan aims to realize the international community that enhances the people’s health as well as ensures the right to health through assisting the area of global health.

Under this principle, Japan has achieved remarkable results in overcoming health issues such as infectious diseases outbreak, maternal and child health and nutrition improvements through cooperation with a number of countries and various international organizations, including the World Health Organization (WHO), the



Parliamentary Vice-Minister for Foreign Affairs Hamachi delivering a speech on behalf of the Government of Japan at the UN High-Level Meeting on HIV/AIDS (June 9, New York, U.S.)

World Bank, the Global Fund to Fight AIDS, Tuberculosis and Malaria (the Global Fund), Gavi, the Vaccine Alliance (Gavi), the United Nations Population Fund (UNFPA), and the United Nations Children's Fund (UNICEF). Particularly in 2016, Japan exerted its leadership and took the lead in discussions with a view to achieving Universal Health Coverage (UHC) that ensures affordable access to basic health services for all whenever they need them throughout their lives based on the Basic Design for Peace and Health formulated in 2015 as its Global Health policy under the Development Cooperation Charter.

At the G7 Ise-Shima Summit held in May, Japan led discussions as the presidency and health was a major issue covered in the G7 Ise-Shima Leaders' Declaration. An agreement was reached on the following three areas: (1) Strengthening response capability to public health emergencies such as infectious diseases outbreak; (2) Promoting UHC that contributes to responding health emergencies; and (3) Strengthening response to antimicrobial resistance (AMR). The G7 Ise-Shima Vision for Global Health was issued with respect to these areas. As part of the concrete contributions from Japan, Prime Minister

Abe also declared a policy to provide support of approximately 1.1 billion US dollars for global health institutions, with the aim of enabling response to public health emergencies and infectious disease countermeasures, and strengthening health systems toward the achievement of UHC. Moreover, a government delegation led by Parliamentary Vice-Minister for Foreign Affairs Hamachi participated in the United Nations HIV/AIDS High-Level Meeting held in June, introducing the outcomes of the Summit and reaffirming Japan's resolve to contribute further in the area of global health.

Health was prioritized issue at the TICAD VI meeting held in August, while the Nairobi Declaration set forth agreement on strengthening response to public health crises and promoting UHC, which contributes to the prevention/preparation for crises and promoting resilient health systems for quality of life. Further to this, with regard to the contributions of about 1.1 billion US dollars declared by Prime Minister Abe at the G7 Ise-Shima Summit, Japan indicated more than 500 million US dollars will be provided to Africa through the Global Fund, Gavi, and other mechanisms, thereby increasing the number of lives saved to more than about 300,000, the number of experts and policymakers developed for their capacity to counter infectious diseases to about 20,000, and the number of people who are able to access basic health services to about 2 million.

### (3) Environmental Issues and Climate Change

#### A Global Environmental Issues

Japan is fully engaged in addressing the depletion of natural resources and the

destruction of the natural environment with a view to realizing sustainable development through its active participation in multilateral environmental agreements, as well as various international conferences and fora focused on environmental matters. The importance of these initiatives is increasingly recognized worldwide, as shown from the fact that environmental targets were clearly outlined in the “2030 Agenda for Sustainable Development” adopted in 2015.

### (A) Conservation of Biodiversity

From September to October, the 17th meeting of the Conference of the Parties (COP17) to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) was held in Johannesburg, South Africa. At this meeting, it was recommended to take necessary measures to close the domestic



Closing Ceremony of the 17th meeting of the Conference of the Parties to CITES (October 4, Johannesburg, South Africa)



13th meeting of the Conference of the Parties to the Convention on Biological Diversity (December 4-17, Cancun, Mexico)

market for ivory that is contributing to poaching or illegal trade. Decisions were also made on matters such as the listing of sharks and rays as species subject to trade regulations in the CITES appendices. In November, the Hanoi Conference on Illegal Wildlife Trade was held in Vietnam, which resulted in the issuance of a statement by the participating countries emphasizing the importance of taking concrete actions to fight against illegal wildlife trade.

In December, the 13th meeting of the Conference of Parties (COP13) to the Convention on Biological Diversity (CBD) was held in Cancun, Mexico. Discussions were held on various issues related to biodiversity, including the progress and status toward the achievement of the Aichi Biodiversity Targets adopted at COP10 in 2010, and mainstreaming biodiversity in sectors such as agriculture, forestry, fishery, and tourism, into the mainstream.

In September, the 6th World Conservation Congress (WCC6), the highest decision-making body of the International Union for Conservation of Nature (IUCN), which meets once every four years, was held in Honolulu, the United States. Decisions were made on the IUCN programme, and various resolutions and recommendations were adopted at this Congress.

### (B) Conservation of Forests

In November, at the 52nd Council of the International Tropical Timber Organization (ITTO), discussions were held on global efforts for sustainable forest management.

### (C) International Management of Hazardous Chemicals/Hazardous Waste

As for the Minamata Convention on

Mercury (adopted in October 2013), relevant countries are continuing discussions towards its entry into force (35 countries became Parties as of the end of 2016). Japan concluded the Convention in February.

In October, the 28th Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer was held in Kigali, Rwanda. At this Meeting, an amendment to add hydrofluorocarbons (HFCs) to the controlled substances under the protocol was adopted. HFCs were developed as the alternatives to chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs), and contribute to global warming while they do not deplete the ozone layer.

#### **(D) Protection of the Marine Environment**

At the 11th meeting of the Conference of the Parties to the London Convention (Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter) held in September, discussions were held on matters including strategic plans and the prohibition of the dumping of radioactive wastes.

With regard to the conservation of the marine environment of the Sea of Japan and the Yellow Sea, the 21st Intergovernmental Meeting for the Northwest Pacific Action Plan (NOWPAP), which involves cooperation among Japan, China, South Korea, and Russia, was held in Seoul, South Korea, in October.

At the G7 Ise-Shima Summit held in May, hosted by Japan, leaders reaffirmed to tackle the problem of marine litter under the section on Resource Efficiency and the 3Rs in the Leaders' Declaration.

## **B Climate Change**

### **(A) Entry into force of the Paris Agreement, and the 22nd session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP22)**

A concerted effort by the international community is essential in reducing greenhouse gas emissions that cause global warming; however, the Kyoto Protocol adopted at the third session of the Conference of the Parties to the UN Framework Convention on Climate Change (COP3) in 1997 required only developed countries to reduce greenhouse gas emissions. As a result of active negotiations spanning several years, including the “Durban Agreement” of 2011<sup>4</sup>, the Paris Agreement was adopted at COP21 held in Paris in December 2015. The Paris Agreement is a fair and effective framework that does not distinguish between developed and developing countries, implementing initiatives toward the achievement of targets established independently and submitted by countries with the aim of reducing greenhouse gas emissions. During this negotiation process, Japan contributed actively to making concrete proposals on system design, and to the agreement and adoption processes. It also provided a strong boost toward the conclusion of the agreement toward Prime Minister Abe's declaration to provide approximately 1.3 trillion yen of support to developing countries in 2020.

After the adoption of the Agreement, the focus shifted toward the early entry into force of the Paris Agreement. Partly as a result of the heightened momentum

<sup>4</sup> Contents included (1) Agreement on a new legal framework for all countries to participate by the year 2015; (2) The entry into force of the same framework from 2020. Decided on at COP17.



22nd Session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (November 7-18, Marrakech, Morocco. Photo: UNFCCC)

in the international community with the simultaneous ratification of the Agreement by the United States and China in September 2016, the criteria for Agreement to come into force was met (55 or more parties to the Agreement, and total emissions of 55% or more for these countries as a percentage of the total emissions for the international community as a whole), and the Paris Agreement came into force on November 4. Japan has also worked to build the momentum toward the entry into force of the Paris Agreement, including the issuance of the Leaders' Declaration at the G7 Ise-Shima Summit held under the Presidency of Japan in May, which established the goal of ensuring the entry into force of the Paris Agreement in 2016. Japan ratified the Agreement on November 8.

At COP22 held in Marrakech, Morocco, in November 2016, and the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement (CMA1), the attention was placed on how to proceed with the formulation of the relevant guidelines of the Agreement, as part of the process after the entering into force of the Paris Agreement. In this respect, Japan approached negotiations with its focus placed on the following two points: (1) Regardless of whether a country

has ratified the Agreement, through the continued participation of all countries in the review of the relevant guidelines, all countries should take ownership over the guiding principles that are drawn up; (2) The progress of discussions concerning the future direction of the relevant guidelines of the Paris Agreement. In particular, Japan asserted that the relevant guidelines should be drawn up by 2018 in order to provide clarity for future processes, and that a concrete plan for processes should be formulated by the next meeting to be held in May 2017. As a result of two-week long discussions among the related countries, the following two decisions were reached, among others: (1) To engage in negotiations on the formulation of the relevant guidelines for the Paris Agreement with the continued participation of all countries going forward; (2) After the convention of relevant meetings in 2017 and confirmation of the progress status of work on the formulation of the relevant guidelines, the final implementation guiding principles shall be adopted by 2018. In this way, an agreement was reached on the specific timeline for the formulation of the relevant guidelines, with Japan's assertions incorporated. This represented a significant achievement on climate change negotiations in 2016. The strengthening of initiatives by various entities was also an important point raised at this COP, and an event was held with the aim of strengthening actions by non-governmental bodies including local governments and corporations. Going forward, Japan will continue to work closely with the relevant countries to enhance the effectiveness of the Paris Agreement, while engaging actively in the relevant negotiations.

## **(B) Approach on Support for Developing Countries**

As many developing countries are unable to adequately implement climate change policies with solely their own funds and implementation capabilities, developed countries including Japan are promoting initiatives to provide active support for developing countries.

As a part of these initiatives, in 2009, developed countries made a commitment to mobilize 100 billion US dollars from the public and private sectors combined by the year 2020 (Copenhagen Accord). In connection with this, at a prior meeting held in October 2016 ahead of COP22, developed countries announced the “Roadmap to 100 billion dollars” initiative. This is an initiative led by developed countries to clarify the path toward the realization of plans to mobilize 100 billion US dollars in funds, and was welcomed by the international community, including developing countries, at the related negotiations, including COP22.

The Green Climate fund (GCF) also plays an important role as a multilateral fund that provides support to developing countries for adapting to the impact of greenhouse gas emission reductions and climate change. Japan contributes funds to the GCF based on the Act on Contribution to the Green Climate Fund (GCF) and the Accompanying Measures enacted in 2015, and participates actively in the management of the Fund as a board member of GCF, including the selection of projects to provide support to. As of December 2016, the GCF Board has approved 35 projects to support.

## **(C) Joint Crediting Mechanism (JCM)**

The JCM is a mechanism to appropriately

evaluate contributions from Japan to GHG emission reductions or removals in a quantitative manner and use them to achieve Japan's emission reduction target through the diffusion of low carbon technologies, products, systems, services, and infrastructure as well as implementation of mitigation actions in developing countries. To date, Japan has established the JCM mechanism with 16 partner countries. In 2016, the initiative has steadily produced results, with the issuance of credits from projects in Indonesia (May), Mongolia (September), and Palau (December).

## **(D) Other Initiatives by Japan**

In October, the Seminar for Capacity Development for Transparency to Implement the Paris Agreement was held for six countries in Asia and members of the United Nations Framework Convention on Climate Change (UNFCCC) Secretariat. During this Seminar, participants shared their recognition on the capacity support needed to report on the status of achievement of nationally determined contributions (NDC) for emissions reduction, which is important in encouraging developing countries to reduce emissions. In January 2017, G7 officials from each country and experts from Japan and abroad were invited to an experts' meeting and working group on climate change and vulnerability, where they deepened their awareness on the security implications of the climate change issues that have drawn attention lately.

The 14th Informal Meeting on Further Actions Against Climate Change held in Tokyo in February 2016 was the first meeting that brought together negotiators from major countries after the adoption of

the Paris Agreement, the new international framework for climate change measures. This Meeting saw the lively exchange of views toward the effective implementation of the Paris Agreement.

#### **(E) Initiatives Related to Climate Change Measures in the Field of International Aviation**

With regard to greenhouse gas emissions reduction in the field of international aviation, the International Civil Aviation Organization (ICAO) has established a global reduction target of improving fuel efficiency by 2% every year, and not increasing total emissions after 2020. To achieve this goal, ICAO has conducted discussions on the introduction of new technologies, improved aircraft operation methods, utilized alternative fuels as well as the establishment of global market-based measures (GMBM). Within this context, a resolution that prescribes the contents of GMBM was adopted unanimously at the 39th Assembly of ICAO in October 2016 held in Montreal. In particular, this triggered the process of greenhouse gas emissions reduction through the purchase of emission credits with effect from 2021 for countries voluntarily participating in the program including Japan. In addition, starting from 2027, all countries will participate in the system, with the exception of countries that generate emissions below a certain level. Japan will continue to contribute actively to reviews by ICAO on the details of the GMBM, and work on taking the necessary steps toward the start of operations.

#### **(4) Arctic and Antarctic**

##### **A Arctic**

##### **(A) Current situation in the Arctic and Japan's View**

Environmental changes in the Arctic, caused by global warming (melting of sea ice, permafrost, ice sheet and glaciers, etc.), have brought about new opportunities to the international community, such as utilization of the Arctic Sea Routes and resource development. On the other hand, it has also posed various challenges, such as the acceleration of global warming, its negative impacts on the vulnerable environment of the Arctic, and potential changes in the international security environment, resulting in mounting attention by the international community.

In dealing with these opportunities and challenges over the Arctic, based on a wide range of international cooperation, we have to work out necessary measures through grasping actual condition of environmental changes in the Arctic and its impact on the global environment, as well as precisely predicting further changes. In addition, it is necessary for us to reach a common understanding on appropriate manners of economic use of the Arctic. As a prerequisite for that, actions based on the rule of law must be ensured, which can be seen in dealing with territorial disputes and maritime delimitation issues in the Arctic. In October 2015, Japan adopted its first comprehensive Arctic Policy. Based on this policy, Japan will contribute to the international community as a main player in addressing Arctic issues, especially by making full use of Japan's strength in science and technology.



Special  
Feature**Post-COP21 Climate Change Negotiations**  
~ Entering into Force of the Paris Agreement, COP22 ~

At the 21st Session of the Conference of the Parties to the UNFCCC (COP21) held in December 2015, the Paris Agreement was adopted as a new framework to replace the Kyoto Protocol, which had only imposed the responsibility of reducing emissions on developed countries. The Paris Agreement is the first framework in history that does not distinguish between developed and developing countries; rather, this fair and effective framework allows countries to submit their Nationally Determined Contributions for reducing greenhouse gas emissions, and to implement initiatives toward the achievement of these targets. In 2016, the Paris Agreement came into force less than one year from its adoption. The year continues to be a dynamic one for climate change negotiations, with the work schedule for the steady implementation of the Paris Agreement to be decided on at COP22.



Ambassador Hiroshi Minami, Deputy Permanent Representative of Japan to the United Nations, submitting the instruments of acceptance for the Paris Agreement to the UN representative (November 8, New York, United States (UN Headquarters))

**Entering into force of the Paris Agreement**

After the adoption of the Paris Agreement, the international community has continued to move ahead with the aim of making the transition into the implementation of the Agreement as soon as possible. At the signing ceremony of the Agreement held at the UN Headquarters in New York in April 2016, as many as 175 countries and regions, which form the majority of the parties to the UNFCCC, signed the Paris Agreement at the same time that the document was released to the public. This was a unanimous declaration by the international community of its will and resolve. On September 3, the United States and China ratified the Agreement by submitting the signed document at the same time, thereby accelerating the move toward the early entering into force of the Agreement. They were followed by India, the EU (some EU member states ratified the Agreement ahead of others) and other countries successively. As a result, 55 countries, which make up 55% of the total volume of emissions in the world, ratified the Agreement, fulfilling the criteria for it to come into force. Hence, the Paris Agreement came into force on November 4, earlier than the international community had initially predicted.

**COP22**

At the 22nd Session of the Conference of the Parties to the UNFCCC (COP22) (November 7–18, Marrakech Morocco), the focus was placed on achieving an agreement on the schedule for negotiations of the relevant guidelines for the Agreement, which is the key

for the steady implementation of the Paris Agreement in the future. As a result of the negotiations, the COP yielded positive outcomes, including the decision to establish 2018 as the deadline for the adoption of the relevant guidelines. In response to news coming immediately after the opening of the conference that Mr. Trump had been elected as the President of the United States, there was growing concern among the relevant countries about the climate change policies of the next U.S. administration that will be inaugurated in the following year (2017). The conference also served as an opportunity for affirming the unity of the international community. Discussions on the implementation of the Paris Agreement moved forward steadily, and many of the participating countries expressed that steps should be taken toward the resolution of the climate change issue through international cooperation going forward.

#### **Future outlook**

In light of the Paris Agreement coming into force in 2016 and the agreement on the work schedule thereafter, climate change negotiations towards the 2018 deadline will move forward on many points at issue, including detailed regulations related to the implementation of actions by each country to reduce emissions. While the big picture for policies of the Trump administration related to the climate change issue, including handling of the Paris Agreement may not necessarily be clear at this point in time, tackling the climate change issue remains a global issue that the entire international community should approach together. Japan is of the view that active involvement by the U.S. is also important, and continues to closely observe the impact that policies put in place by the Trump administration will have on the climate change issue. On top of that, to ensure that each country establish systems that clarify the country's actions to reduce emissions in a way that is highly transparent, Japan will take an active approach toward future negotiations while working closely with the relevant countries.

#### **(B) Active participation in international initiatives on the Arctic**

In the area of international initiatives concerning the Arctic, Japan will (1) actively participate in addressing global issues on the Arctic and in international rule-making process over the Arctic; (2) further contribute to the activities of the Arctic Council (AC: An intergovernmental forum led by Arctic states); and (3) expand bilateral and multilateral cooperation with the Arctic and other countries.

As a part of these efforts, Japan was formally admitted as an observer in AC

in May 2013. Since then, Japan has been contributing to activities of the AC through actively participating in discussions by dispatching government officials and experts to related meetings such as the Senior Arctic Official (SAO) meeting, working groups and task forces. Toward further contribution to the AC, Japan will strive to actively participate in discussions on expanding the role of observers, as well as engage in policy dialogues with the AC chair, member states and others.

With a view to demonstrating Japan's efforts on the Arctic, Ambassador in charge

of Arctic Affairs, Kazuko Shiraishi actively participated in various international forums on the Arctic held in such countries as Russia, the U.S., and Iceland, and exchanged views on the Arctic with countries concerned including the Arctic states.

In April, the Trilateral High-Level Dialogue on the Arctic among Japan, China and the ROK was held for the first time with the participants of government officials from the three countries as well as experts from relevant research institutions. In this dialogue, the three countries exchanged views on such topics as the possibility of future trilateral cooperation on the Arctic.

In November, the Ministry of Foreign Affairs invited the Ambassador for Arctic Affairs of Finland, which was appointed as the chair country of the AC for two years from 2017, to Japan. Taking this opportunity, he visited Japanese research facilities on the Arctic and exchanged views with a diverse group of people from industries, government and academia including Parliamentary Vice-Minister for Foreign Affairs Takei and the Parliamentary League of Arctic Frontier Study. This invitational program promoted his understanding of Japan's initiatives and strengths on Arctic issues, and showed Finland, the next AC chair, Japan's ability to make further contribution to the activities of the AC.

## **B** Antarctic

### **(A)** The Antarctic Treaty

The Antarctic Treaty adopted in 1959 sets forth the following three basic principles: (1) the use of the Antarctica for peaceful purposes, (2) freedom of scientific investigations and international cooperation, and (3) a freeze on territorial rights and claims.

### **(B)** The Antarctic Treaty Consultative Meeting (ATCM) and the protection of Antarctic environment

The 39th Antarctic Treaty Consultative Meeting (ATCM 39) was held in Santiago, Chile, from May to June. At this meeting, discussions were held on topics including environmental conservation and observation of the Antarctic, prohibition of mineral resource activities, and Antarctic tourism, taking into account the growing diversification of activities in the Antarctic. To commemorate the 25th anniversary of the adoption of the Protocol on Environmental Protection to the Antarctic Treaty, a symposium was also held in conjunction with this meeting.

### **(C)** Japan's Antarctic observation

Based on the 9th six-year plan of the Japanese Antarctic Research Expedition (2016–2021), Japan is undertaking to reveal the roles and impacts of the Antarctic on the global system of the past, current, and future; particularly through long-term continuous observation for investigating the actual state and mechanism of global warming, as well as through the implementation of various research and observation activities, using large aperture atmospheric radar, etc.

## **3** Science and Technology Diplomacy

Prof. Teruo Kishi, who was appointed as Science and Technology Advisor to the Minister for Foreign Affairs by Foreign Minister Kishida in September 2015, supports the activities of the Foreign Minister from the perspective of science and technology, and provides advice on

the utilization of science and technology in the planning and coordination of various foreign policies to the Minister and relevant divisions. He also takes part in public relations activities concerning Japan's science and technology diplomacy, while strengthening partnerships with Japanese and foreign stakeholders in the fields of science and technology.

Three sessions of the Advisory Board for the Promotion of Science and Technology Diplomacy, chaired by the Science and Technology Advisor to the Minister for Foreign Affairs, were held in 2016. Furthermore, at study groups organized by the Advisor on the four areas of Japan-U.S. cooperation, oceans/the Arctic, health, and international cooperation, involving experts and the relevant government ministries and agencies, the importance of evidence-based policy making was emphasized. As a result of these initiatives, the outcome document of the G7 Ise-Shima Summit supported efforts to enhance ocean observation for the science-based management of marine resources, and stated the importance of international cooperation in the area of medical data. The Advisor also submitted a recommendation to the Minister for Foreign Affairs toward the Sixth Tokyo International Conference on African Development (TICAD VI). This recommendation comprised the following two pillars: Improving Africa's science and technology level through human resource development, and applying research and development results to overall society.



Prof. Kishi, Science and Technology Advisor to the Minister for Foreign Affairs, submitting the recommendations toward TICAD VI, "A More Prosperous Africa with the Power of Science, Technology and Innovation" to Foreign Minister Kishida (August 15, Tokyo)

During TICAD VI in Kenya, the Advisor attended related events, visited local science and technology facilities, and exchanged views with concerned parties.

Along with Science and Technology Advisors from other countries including the U.S., the UK, and New Zealand, he also attended various international conferences and worked on network-building, through exchanges of opinions on the role of Advisors and ways of applying scientific knowledge to foreign policies.

Furthermore, Prof. Kishi also initiated a project to publicize technology and innovation through cooperation with the Cabinet Office and the Ministry of Foreign Affairs<sup>5</sup> in Europe<sup>6</sup>, with the aim of enhancing the dissemination of information about Japan's prominent scientific and technological strength. In addition, he also widely disseminated information about Japan's initiatives in science and technology diplomacy at various fora in Japan and abroad, including the Symposium on

<sup>5</sup> Project (known as "SIP Caravan") to introduce , the SIP (Strategic Innovation Promotion Program) , which is a new type of Japanese national project for science, technology and innovation, spearheaded by the Council for Science, Technology and Innovation (CSTI) as it exercises its headquarters function to accomplish its role in leading science, technology and innovation beyond the framework of government ministries and traditional disciplines by facilitating coordination among government, industry and academic entities under 11 themes, in order to lay the groundwork for future international cooperation, as well as for the international dissemination of Japan's research and development output, through cooperation with the Ministry of Foreign Affairs (diplomatic missions overseas).

<sup>6</sup> Organized in Germany in June 2016, and in Austria, France, and the United Kingdom in October 2016.



Scene of the 2nd Japan-Indonesia Joint Committee Meeting on Science and Technology Cooperation (September 13, Tokyo)

Science and Technology Diplomacy held in Tokyo on May 24.

Japan has concluded 32 science and technology cooperation agreements with 47 countries/institutions, and organizes regular joint committee meetings with these countries based on the agreements, to engage in intergovernmental dialogue. In 2016, meetings were held with seven countries respectively: Sweden, Finland, Canada, the U.S., Indonesia, the UK, and Germany. With attendance by delegates from the relevant ministries and institutions, consultations were held on the current status of cooperation in diverse sectors, and on

the future direction of cooperation. Japan has contributed to promoting science and technology exchange with the respective countries through participation in, and implementation of, the relevant events such as seminars and fora on related contents as well as tours of facilities. In particular, the meeting with Indonesia marked the first such meeting in 34 years. A director-level taskforce meeting was also held with the EU, where opinions were exchanged with a view to the next joint committee meeting.

With regard to multilateral initiatives, as a member of the Board of the International Science and Technology Center (ISTC) that supports research for peaceful purposes conducted by researchers on weapons of mass destruction from the former Soviet Union, Japan works together with the U.S. and the EU to provide support mainly for countries of Central Asia. Japan also participates in ITER projects.

**Column** **Applying Japanese Science and Technology to Diplomacy**  
 ~ Outlook for Activities by the Science and Technology Advisor to the Minister  
 for Foreign Affairs  
 Teruo Kishi, Science and Technology Advisor to the Minister for Foreign Affairs

Knowledge of science and technology is required to resolve many of the issues confronting the world, such as global environmental issues, infectious diseases, and responding to natural disasters.

How can we harness Japan's strength in science and technology to diplomacy? Advice concerning this question is expected to be brought about through the activities of Science and Technology Advisors, who serve as science experts in the Ministry of Foreign Affairs. To provide appropriate recommendations and advice, knowledge of 17 experts of Japan comprising the Advisory Board for the Promotion of Science and Technology Diplomacy, has been called into service to date. At the same time, there are high expectations in the scientific community for this advice and recommendations to ultimately contribute to the development of science and technology in Japan.

To harness Japan's strength in science and technology in diplomacy, it is important to adopt an approach of utilizing scientific knowledge and data in the formulation of

diplomatic policies. This idea involves using Japan's outstanding technologies, collecting accurate and precise data, conducting analysis based on scientific evidence, and applying it to policies.

Through activities including joint research between Japan and other countries, as well as human resource development activities in developing countries, science and technology has many roles to fulfill in Japan's diplomacy. If Japan's scientific and technological prowess can be harnessed to achieving the Sustainable Development Goals (SDGs) adopted by the United Nations, it would mark a further achievement for Japan's diplomacy. To that end, I have been working to introduce Japan's efforts in science, technology, and innovations in relation to SDGs both at home and abroad, and considering ways of promoting international cooperation which are currently under review.

Building networks between Science and Technology Advisors and scientists from other countries is another important aspect of an Advisor's work. The number of countries that have established the Science and Technology Advisor system remains relatively small, and currently includes countries such as the U.S., UK, and New Zealand. In light of this situation, there has been much talk about bringing together the Advisors from each country to provide inspiration and encouragement for science and technology diplomacy across the world through the activities of the Advisors. Bringing together Advisors from different countries to engage in discussion can also contribute to identifying issues that Science and Technology Advisors should pay attention to, based on the situation in the international community and the science and technology sector at the time. We could say that expanding science and technology diplomacy in such manner is a new and interesting development in the world of diplomacy.

The consolidation and penetration of scientific knowledge within the Ministry of Foreign Affairs is also of great importance. In this regard, various initiatives have been put in place including seminars for the ministry officials to improve scientific literacy, and utilization of science and technology diplomacy network linking the Ministry with its diplomatic missions overseas to consolidate science and technology information from various countries, and to transmit Japan's science and technology to the world through such program as the Strategic Innovation Promotion Program (SIP) Caravan, to name a few.

As a science expert, by stepping into the field of diplomacy, which is a completely new world to me, I have gained new stimulus and excitement for myself. Of course, I also take pride in the fact that for the Government of Japan, the activities of Science and Technology Advisor are effectively strengthening Japan's diplomatic capabilities. I hope that Japan's science and technology will continue to contribute to Japan's diplomacy.



Science and Technology Advisor to the Minister for Foreign Affairs, Kishi, visiting the Jomo Kenyatta University of Agriculture and Technology (August 25, Nairobi, Kenya)

## Section 3

## Economic Diplomacy

## Overview

**(Recognition of the Economic Situation and Japan's Economic Diplomacy)**

In 2016, in addition to actions by the U.S. toward the normalization of monetary policy, trends in crude oil prices, economic prospects for emerging countries including China, the impact of growing uncertainty in future economic relations between the UK and the EU after the UK's withdrawal from the EU attracted attention. Given this situation, the world economy showed signs of weakness among some developed countries in the first half of the year, but these signs began to fade in the latter half of the year, along with signs of recovery in the Chinese economy, leading to the continued moderate recovery of the overall world economy. Although the Japanese economy also had shown weakness, but it has continued a moderate recovery, helped by an improvement in the situations in employment and income.

Based on this recognition of the economic situation, the Government of Japan approved the "Japan Revitalization Strategy 2016" (hereinafter the "Growth Strategy") in June with the aim of "achieving a 600 trillion yen GDP, Japan's largest GDP in the

post-war era, by turning the current virtuous economic cycle into sustainable economic growth." The "Growth Strategy" shows a course to incorporate the world's growth into Japan's growth through Japanese companies and citizens proactively entering into overseas markets and attracting the "global flow of people, goods, and money" into Japan.

Strengthening economic diplomacy as a means of driving the growth of the Japanese economy is regarded as one of the three pillars of Japan's foreign policy, alongside strengthening the Japan-U.S. Alliance and enhancing our relations with neighboring countries. Japan has made earnest efforts to strengthen it. In 2016, while taking into account the "Growth Strategy," Japan carried out economic diplomacy from three aspects: (1) rule-making to bolster free and open global economic systems, (2) supporting the overseas business expansion of Japanese companies through promotion of public-private partnerships, and (3) promoting of resources diplomacy along with direct investment toward Japan.

## 〈Rule-Making to Bolster Free and Open Global Economic Systems〉

### (1) Promotion of Economic Partnerships

The promotion of high-level economic partnerships constitutes one of the pillars of the Growth Strategy, which aims to raise the FTA ratio to 70% (18.9% in 2012) by 2018. The Trans-Pacific Partnership (TPP) Agreement signed in February 2016 establishes new trade and investment rules among 12 Asia-Pacific countries. When the agreement enters into force, a huge economic zone that accounts for 40% of the world's GDP and 10% of its population will be realized. Furthermore, Japan will aim to contribute to global rule-making on trade and investment, by carrying out various negotiations in parallel, including the Japan-EU Economic Partnership Agreement (EPA), the Regional Comprehensive Economic Partnership (RCEP), and the Japan-China-ROK FTA.

### (2) Multilateral Trade Liberalization (WTO)

Although negotiations to liberalize multilateral trade have been in a deadlock for many years, the multilateral trading system centered on the World Trade Organization (WTO) has played a vital role in making new rules and putting existing rules into practice, including disputes settlement.

Negotiations have continued since 2001 in the Doha Development Agenda (DDA), but its future prospects are uncertain due to disagreements between developed and developing countries. On the other hand, success in the Information Technology Agreement (ITA) expansion negotiations, and agreements on export competition in agriculture, including export subsidies, at the 10th WTO Ministerial Conference (MC10) showed that the WTO's

negotiation function is indeed still working and effective. There is a need to consider new ways of dealing with issues, including those that change with the times, from the perspective of revitalizing and bolstering the negotiation functions of WTO, and Japan also intends to take active part in the discussions. At WTO's Informal Ministerial Meeting held in October in Oslo, Norway, participants shared view such as on the importance of mutual confidence building under increasing pressure for protectionism, the need to avoid the risks of setting overambitious goals, and the need to carry out negotiations to ensure the achievement of incremental results in achievable fields at every ministerial conference etc. Progress is being made in discussions to achieve steady results at the 11th WTO Ministerial Conference (MC11) to be held in December 2017.

### (3) International Discussions Led by Japan

The G7 summit is a meeting where leaders of developed countries meet to discuss policy cooperation, and in 2016, Japan, as the G7 presidency, hosted the G7 Ise-Shima Summit on May 26 and 27. G7 countries confirmed their solidarity at the summit, while Japan exercised leadership as the presidency not only in discussions on the summit's main focus of the global economy, but also Japan's top-priority issues on "quality infrastructure investment," "health," "women" and maritime security. By achieving results through specific action, Japan succeeded in making an impact on the global arena. Regarding the global economy in particular, G7 leaders reaffirmed the importance of taking a three-pronged approach of implementing monetary, fiscal and structural policies, pledging to work hand-in-hand to tackle risks and lead the



sustainable, strong growth of the global economy.

Moreover, the global economy was also the main theme of the G20 Hangzhou Summit (in China), following the G7 Ise-Shima Summit. On the basis of the discussions at the Ise-Shima Summit that Japan, as the G7 presidency, stressed, with the world economy facing various risks, it is important that we strengthen international cooperation. The leaders of the G20 concurred on the need to take all appropriate policy responses including monetary and fiscal policies, as well as restructuring. The leaders, including emerging economics such as China, were able to reach the agreement on steadily addressing structural problems, such as excess capacity.

Asia Pacific Economic Cooperation (APEC) is an economic cooperation framework participated in by 21 countries and regions (economies) in the Asia-Pacific Region. At the APEC Economic Leaders' Meeting in Peru in November, under the general theme of "Quality Growth and Human Development," extensive discussions took place focusing on advancing regional economic integration and quality growth, enhancing the regional food market, towards the modernization of micro, small and medium-sized enterprises in the Asia-Pacific, and developing human capital. Prime Minister Abe stressed that free trade is the foundation of global economic growth, and expressed Japan's intention to promote free trade by progressing policies to bring about inclusive growth.

The Organization for Economic Cooperation and Development (OECD) is the "world's largest think tank," covering a wide range of economic and social issues.

Discussions were held at the Ministerial Council Meeting held in June on the theme of "Enhancing Productivity for Inclusive Growth." Acting as vice-chair for the tenth time, Japan contributed to the discussions by playing a leading role in the setting of the theme and efforts to prepare and negotiate documents, and communicated the need for a "positive cycle between economic growth and enhanced opportunities and income." Moreover, Japan returned to the OECD Development Centre (development think tank of the OECD) on June 1 for the first time in 16 years.

### 〈Supporting the Overseas Business Expansion of Japanese Companies through Promotion of Public-Private Partnerships〉

#### (1) Support for Japanese Companies' Overseas Business Expansion

The Government of Japan places great importance on promoting the overseas businesses of Japanese companies to incorporate the vigorous economic growth in foreign countries, including emerging countries, and to promote the steady growth of the Japanese economy. Under the command of the Headquarters for the Promotion of Japanese Business Support which is headed by Foreign Minister Kishida, MOFA proactively supports the overseas business expansion of Japanese companies. These initiatives are centered on the "Division for Promotion of Public and "Private Partnership," established in September 2015, working closely with diplomatic missions overseas under the leadership of ambassadors and consul-generals.

In addition, to "achieve the Government's target of approximately 30 trillion yen in

infrastructure exports by 2020,” set in the “Growth Strategy,” Japan is engaging proactively in top-level sales to sell the country’s infrastructure and technology overseas. This has resulted in steady progress being made toward attaining the goal, with the value of orders reaching around 19 trillion yen in 2014.

Moreover, with the aim of achieving the Government’s target (Economic Measures to Realize Investments for the Future) of “one trillion yen in exports of agricultural, forestry, and fishery products and food by 2019,” MOFA has utilized its diplomatic missions overseas to allow companies involved in exporting agricultural, forestry, and fishery products and foods to provide consultation and hold events to promote Japanese products. In particular, Japanese business support officers (in charge of the food industry) at 58 diplomatic missions overseas in 54 countries and regions have been assigned by MOFA to bolster initiatives. Moreover, the governments of the ROK, Taiwan, China, Hong Kong, Macao, Singapore and Russia continue to place import restrictions due to the Great East Japan Earthquake and the accident at TEPCO’s Fukushima Daiichi Nuclear Power Plant. MOFA has been providing accurate information promptly to these countries and regions, and has been urging them to relax or remove the restrictions as soon as possible based on scientific evidence.

### 〈Promoting of Resources Diplomacy along with Direct Investment in Japan〉

#### (1) Energy, Mineral Resources and Food Security

In the field of energy and mineral resources, Japan led international discussions on energy issues as the G7 presidency in 2016.

Japan also took a leading role in issuing the Guiding Principles towards Sustainable Development regarding the strengthening of assistance for complex contract negotiations in extractive industries (CONNEX Initiative) and the holding of the G7 CONNEX Initiative International Conference on Capacity Building and Transparency in September. In November, Japan also hosted the Meeting of the Energy Charter Conference as the first chair from East Asia, as parts of outreach efforts of the Energy Charter Treaty, which aims to promote the protection and deregulation of energy investments. Moreover, Prime Minister Abe and the leaders of the main resource-rich countries took these opportunities to bolster bilateral ties.

As for food security, Japan has been making efforts to lay down specific measures to be implemented by the G7 in aiming to achieve Sustainable Development Goals (SDGs), and organized the G7 International Symposium on Food Security and Nutrition in October. Faced with the possibility of global food shortages in the future, Japan has been implementing initiatives to secure a stable food supply through balancing the world’s food supply and demand by increasing the world food production.

#### (2) Sustainable Use of Living Marine Resources

As one of the responsible major fishing and consuming countries in the world, Japan has a basic policy of proper conservation and management and sustainable use of living marine resources. As such, Japan plays an active role as a member of many Regional Fisheries Management Organizations (RFMOs), which are the most important international organizations to decide and enforce conservation and

management of fisheries resources. On the whaling issue, although the international situation remains difficult, Japan is making persistent efforts to deepen understanding among the international community, based on international law and scientific evidence, under the basic policy that diversity in culture and customs should be respected in the sustainable use of whale resources.

### (3) Promotion of Foreign Direct

#### Investment in Japan

The Council for Promotion of Foreign Direct Investment in Japan, formed in 2014, has been spearheading government-wide initiatives to find or attract investments, or realize the necessary systematic reforms in aiming to achieve the goal of doubling foreign companies' direct investment in Japan to 35 trillion yen by 2020, as addressed in the government's Growth Strategy.

As an initiative to make use of diplomatic resources, MOFA has been engaging proactively in calling for investments in Japan and holding events to promote it through "contact points for Direct Investment towards Japan," established at 126 diplomatic missions overseas. Additionally, a variety of strategic initiatives have been implemented both domestically and internationally through top-level sales carried out by government officials, and cooperation with related organizations such as the Japan External Trade Organization (JETRO).

## 1 Rule-Making to Bolster Free and Open Global Economic Systems

### (1) Promotion of Economic Partnerships Economic Partnership Agreements (EPAs)

and Free Trade Agreements (FTAs) help capture the vitality of growing overseas market and strengthen the basis of the Japanese economy, through measures such as the reduction or elimination of tariffs on goods as well as trade barriers for services, and through trade and investment rule making. The Government of Japan has signed and brought into force 16 EPAs with 20 countries. In order to achieve the goal set out in the "Growth Strategy" to increase the FTA ratio in Japan's trade (the ratio of trade value with countries which have FTAs already signed or entered into force with Japan to the total trade value) to 70% by 2018 from 18.9% in 2012, Japan is strategically promoting economic partnerships including those with the Asia-Pacific region and Europe. Under these circumstances, an agreement in principle was reached on the Trans-Pacific Partnership (TPP) Agreement in October 2015, and it was signed in February 2016.

The new economic order that will be established by the TPP will serve as a basis for creating rules in the Free Trade Area of the Asia-Pacific (FTAAP), which is an even broader effort. Japan intends to work toward the entry into force of the TPP Agreement, and continues to promote other economic partnership negotiations in the future.

## A Multilateral Cooperation (Mega FTAs)

### (A) Trans-Pacific Partnership (TPP) Agreement

The TPP Agreement is an effort to establish new trade and investment rules in the fast-growing Asia-Pacific Region. The twelve countries, namely Japan, Singapore, New Zealand, Chile, Brunei, the U.S., Australia, Peru, Vietnam, Malaysia,

Mexico, and Canada held negotiations and reached an agreement in principle at the TPP Ministerial Meeting held in Atlanta in October 2015, and the TPP Agreement was signed in February 2016. If the TPP Agreement enters into force, it will form a free and fair economic zone and create a huge value chain in a market encompassing 40% (3.1 quadrillion yen) of the global GDP and 800 million people.

This agreement will establish 21st century rules in a wide range of areas, including tariffs, services, investments, intellectual property, and state-owned enterprises. It will provide Japanese companies an opportunity to be more active in markets overseas, and will be a major driving force for the economic growth of Japan. Furthermore, strengthening the rule of law from an economic perspective through the TPP Agreement with countries that share fundamental values will have a strategic significance of contributing to Japan's security, and stability of the Asia-Pacific region.

In Japan, the TPP Agreement and its related bills were approved by the Diet in December 2016, and in January 2017, the Government notified New Zealand, which is designated as the Depository of the Agreement, of the completion of domestic procedures for the TPP. Also in New Zealand, relevant domestic legislative amendments were approved in November 2016. In the United States, President Trump signed a Presidential memorandum to withdraw from the TPP, and the Office of the United States Trade Representative issued a letter for each country, including New Zealand, the Depository, of its

intention to withdraw the U.S. as a signatory to the TPP. However, Japan and the U.S. have agreed on the need to establish a free and fair economic zone in the Asia-Pacific region led by Japan and the U.S., and Japan intends to exercise leadership in the TPP Agreement to discuss what can be done to move forward with signatories to the TPP other than the U.S.

### **(B) Japan-EU EPA**

After Japan decided to launch negotiations in March 2013 with the EU, which shares fundamental values with and is a major trade and investment partner for Japan, a total of 17 rounds of negotiations were held by December 2016. Japan and the EU discussed a wide range of issues, such as trade in goods, trade in services, intellectual property rights, non-tariff measures, government procurement and investments. Both leaders reaffirmed their strong commitment to the negotiations at Japan-EU leaders meetings held in May and July as well as through the joint statement issued on the sidelines of the G7 Ise-Shima Summit held in May. A decision was made in November by the cabinet to establish a Meeting amongst Main Ministers<sup>1</sup> to ensure the early conclusion of negotiations, and a decision was made to set up the Task-force on the Japan-EU EPA, chaired by Deputy Chief Cabinet Secretary Hagiuda. In December, Foreign Minister Kishida and European Commissioner for Trade Malmstrom held a telephone conference and shared the aim to reach agreement in principle as early as possible. A sustained effort has been made in negotiations since then.

<sup>1</sup> Members include Chief Cabinet Secretary, Minister in Charge of Economic Revitalization, Minister of State in charge of general coordination on Japan-EU EPA negotiations, Minister for Internal Affairs and Communication, Minister for Foreign Affairs, Minister of Finance, Minister of Health, Labour and Welfare, Minister of Agriculture, Forestry and Fisheries, Minister of Economy, Trade and Industry, and Minister of Land, Infrastructure and Transport.

Current Status of EPA/FTA Negotiations, etc.

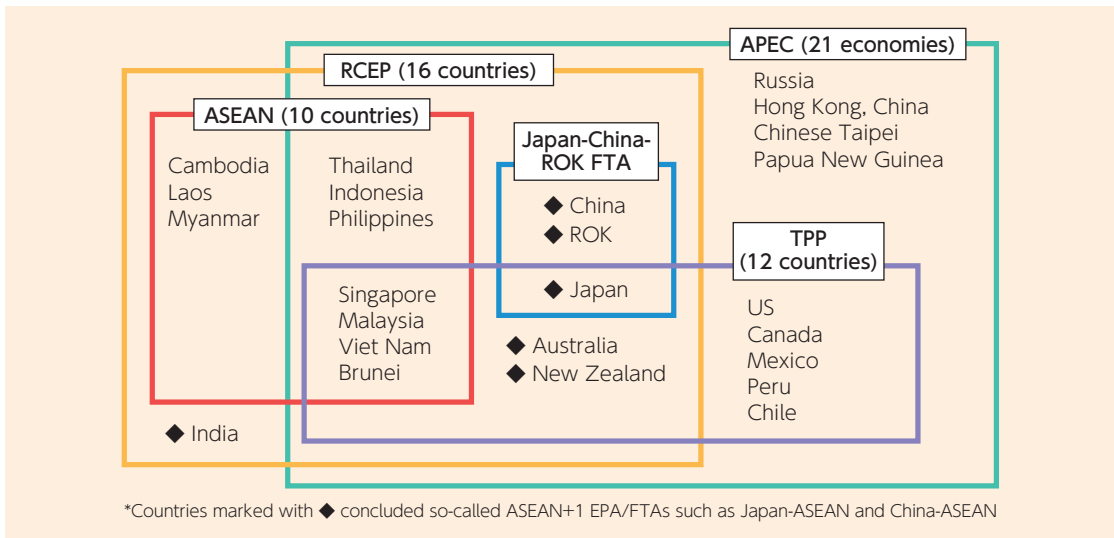
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
ASEAN-Japan Comprehensive Economic Partnership (AJCEP)				Negotiation	The agreement on negotiations on trade in goods was reached	Entry into force		Start of continuous negotiations on service and investment chapters		March and October: Joint committee meetings	Apr: Joint committee meeting Oct: Joint committee meeting Dec: substantial agreement on service and investment chapters	March and October: Joint committee meeting	April and October: Joint committee meeting	June: Joint committee meeting
Mongolia								Jun: start of Joint study	Mar: completion of Joint study	Mar: Japan-Mongolia summit (Agreed to start negotiation) Mar: Preparatory meeting for negotiation Jun: 1 <sup>st</sup> Round of negotiation Dec: 2 <sup>nd</sup> Round of negotiation	Apr: 3 <sup>rd</sup> Round of negotiation Jul: 4 <sup>th</sup> Round of negotiation Dec: 5 <sup>th</sup> Round of negotiation	Apr: 6 <sup>th</sup> Round of negotiation Jul: Agreement in principle	Feb: Signing	Jun: Entry into force
Canada									Mar: start of Joint study	Mar: completion of Joint study Mar: Japan-Canada summit (agreed to start negotiation) Jul: preparatory meeting for negotiation Nov: 1 <sup>st</sup> Round of negotiation	Apr: 2 <sup>nd</sup> Round of negotiation Jul: 3 <sup>rd</sup> Round of negotiation Nov: 4 <sup>th</sup> Round of negotiation	Mar: 5 <sup>th</sup> Round of negotiation Jun: 6 <sup>th</sup> Round of negotiation Nov: 7 <sup>th</sup> Round of negotiation		
Colombia								Nov: start of Joint study		Jul: completion of Joint study Sep: Japan-Colombia summit (agreed to start negotiation) Dec: 1 <sup>st</sup> Round of negotiation	May: 2 <sup>nd</sup> Round of negotiation Oct: 3 <sup>rd</sup> Round of negotiation	Feb: 4 <sup>th</sup> Round of negotiation May: 5 <sup>th</sup> Round of negotiation Jul: 6 <sup>th</sup> Round of negotiation Sep: 7 <sup>th</sup> Round of negotiation Oct: 8 <sup>th</sup> Round of negotiation Dec: 9 <sup>th</sup> Round of negotiation	Mar: 10 <sup>th</sup> Round of negotiation May: 11 <sup>th</sup> Round of negotiation Jul: 12 <sup>th</sup> Round of negotiation Aug: 13 <sup>th</sup> Round of negotiation	
China, Japan, and ROK								May: start of Joint study	Dec: completion of Joint study	Reference: Agreement in principle on Japan-China-ROK Investment Treaty in March May: Japan-China-ROK summit (Agreement on starting negotiation by the end of the year) Nov: Japan-China-ROK Economic and Trade Ministers' meeting (declaration of starting negotiation)	Feb: Preparatory meeting for negotiation Mar: 1 <sup>st</sup> Round of negotiation Jul-Aug: 2 <sup>nd</sup> Round of negotiation Nov: 3 <sup>rd</sup> Round of negotiation	Mar: 4 <sup>th</sup> Round of negotiation Jun: 5 <sup>th</sup> Round of negotiation Dec: 6 <sup>th</sup> Round of negotiation (Director-General/Deputy Director-General level meeting)	Jan: 6 <sup>th</sup> Round of negotiation (Chief-delegates meeting) Apr: 7 <sup>th</sup> Round of negotiation (Director-General/Deputy Director-General level meeting) May: 7 <sup>th</sup> Round of negotiation (Chief-delegates meeting) Jul: 8 <sup>th</sup> Round of negotiation (Director-General/Deputy Director-General level meeting) Sep: 8 <sup>th</sup> Round of negotiation (Chief-delegates meeting) Dec: 9 <sup>th</sup> Round of negotiation (Director-General/Deputy Director-General level meeting)	Jan: 9 <sup>th</sup> Round of negotiation (Chief-delegates meeting) Apr: 10 <sup>th</sup> Round of negotiation (Director-General/Deputy Director-General level meeting) Jun: 10 <sup>th</sup> Round of negotiation (Chief-delegates meeting)
EU								Apr: start of Joint examination	May: start of the process for negotiation	Jul: completion of the scoping exercise to decide the outline of the negotiations Nov: adoption by the Foreign Affairs Council of the mandate of the European commission to negotiate	Mar: Japan-EU summit telephone conference (decided to start negotiation) Apr: 1 <sup>st</sup> Round of negotiations Jun: 2 <sup>nd</sup> Round of negotiations Oct: 3 <sup>rd</sup> Round of negotiations	Apr: 4 <sup>th</sup> Round of negotiations Mar: Apr: 5 <sup>th</sup> Round of negotiations Jul: 6 <sup>th</sup> Round of negotiations Oct: 7 <sup>th</sup> Round of negotiations Dec: 8 <sup>th</sup> Round of negotiations	Feb: 9 <sup>th</sup> Round of negotiations Apr: 10 <sup>th</sup> Round of negotiations Jul: 11 <sup>th</sup> Round of negotiations Oct: 12 <sup>th</sup> Round of negotiations Dec: 13 <sup>th</sup> Round of negotiations Dec: 14 <sup>th</sup> Round of negotiations	Feb: 15 <sup>th</sup> Round of negotiations Apr: 16 <sup>th</sup> Round of negotiations Sep: 17 <sup>th</sup> Round of negotiations
Regional Comprehensive Economic Partnership (RCEP)								Sep: start of Discussion on CEPEA* and EAFTA*	Nov: ASEAN-related summit meeting (adopted RCEP framework based on the proposals of CEPEA and EAFTA)	Nov: ASEAN-related summit meeting (declared to start negotiation)	Feb: Preparatory meeting for negotiation May: 1 <sup>st</sup> Round of negotiation Aug: 1 <sup>st</sup> Ministerial meeting Sep: 2 <sup>nd</sup> Round of negotiation	Jan: 3 <sup>rd</sup> Round of negotiation Mar: Apr: 4 <sup>th</sup> Round of negotiation Jun: 5 <sup>th</sup> Round of negotiation Aug: 2 <sup>nd</sup> Ministerial meeting Dec: 6 <sup>th</sup> Round of negotiation	Feb: 7 <sup>th</sup> Round of negotiation Jul: Inter-Sessional Ministerial Meeting Aug: 9 <sup>th</sup> Round of negotiations and 9 <sup>th</sup> Ministerial meeting Oct: 10 <sup>th</sup> Round of negotiation	Feb: 11 <sup>th</sup> Round of negotiation Apr: 12 <sup>th</sup> Round of negotiation Jul: 13 <sup>th</sup> Round of negotiation Aug: 4 <sup>th</sup> Ministerial meeting and 14 <sup>th</sup> Round of negotiation and 15 <sup>th</sup> Ministerial meeting Oct: 15 <sup>th</sup> Round of negotiation Nov: Inter-Sessional Ministerial Meeting Dec: 16 <sup>th</sup> Round of negotiation
TPP									Nov: declared the intention to start consultation toward participation in the negotiation		Feb: Japan-US summit (Japan-US joint statement issued) Apr: Agreement of the Japan-US consultation, TPP ministerial meeting Jul: 18 <sup>th</sup> Round of negotiation (with participation of Japan) Aug: 19 <sup>th</sup> Round of negotiation Oct: TPP summit and ministerial meeting Dec: TPP ministerial meeting	Feb: TPP ministerial meeting May: TPP ministerial meeting Oct: TPP ministerial meeting Nov: TPP summit and ministerial meetings	Jul: TPP ministerial meeting Oct: TPP ministerial meeting (Basic agreement reached) Nov: TPP ministerial meetings	Feb: TPP ministerial meeting (Signing)
Turkey										Nov: start of joint study	Jul: Completion of joint study	Jan: Japan-Turkey summit (agreed to start negotiation) Dec: 1 <sup>st</sup> Round of negotiation	Apr: 2 <sup>nd</sup> Round of negotiation Sep: 3 <sup>rd</sup> Round of negotiation	Jan: 4 <sup>th</sup> Round of negotiation Jun: 5 <sup>th</sup> Round of negotiation
ROK										May: 2 <sup>nd</sup> director-general level prior consultation Oct: Japan-ROK summit (both countries agreed on full-fledged practical works which are necessary for resumption of negotiation)				
GCC(*)														
<p>*GCC: Gulf Cooperation Council consisting of Saudi Arabia, Qatar, Kuwait, United Arab Emirates, Bahrain and Oman</p> <p>Nov: Preparatory meeting Sep: Entering negotiation</p> <p>Mar: 4<sup>th</sup> interim meeting</p> <p>November 2004 Negotiation suspended</p> <p>Negotiation suspended</p> <p>Negotiation postponed because of initiation by GCC of the review of their overall FTA policy</p> <p>Negotiation Postponed</p>														

(C) Regional Comprehensive Economic Partnership (RCEP)

The RCEP negotiations aim at realizing the establishment of a broad economic

integration, which covers a population of about 3.4 billion (approximately half of the world population), GDP of about 20 trillion US dollars (approximately 30% of the world

### The progress of the broad regional economic partnership in the Asia-Pacific region



GDP), and a total trade amount of about 10 trillion US dollars (approximately 30% of the total value of world trade). Since the launch of negotiations in May 2013, the leaders of the ten ASEAN member states and their FTA partner states (six countries, namely Japan, China, the ROK, Australia, New Zealand and India), have been working together toward the early conclusion of negotiations to achieve a comprehensive and balanced, high-quality agreement in areas such as trade in goods, trade in services, investment, intellectual property and electronic commerce. As of December 2016, six Ministerial Meetings (including Intersessional Ministerial Meetings) and 16 rounds of negotiations were held. At an ASEAN-related summit meeting in September, the ministers reconfirmed the importance of advancing RCEP negotiations, and issued a joint statement announcing their intention to further intensify negotiations for a swift conclusion of the negotiations.

#### (D) Japan-China-ROK FTA

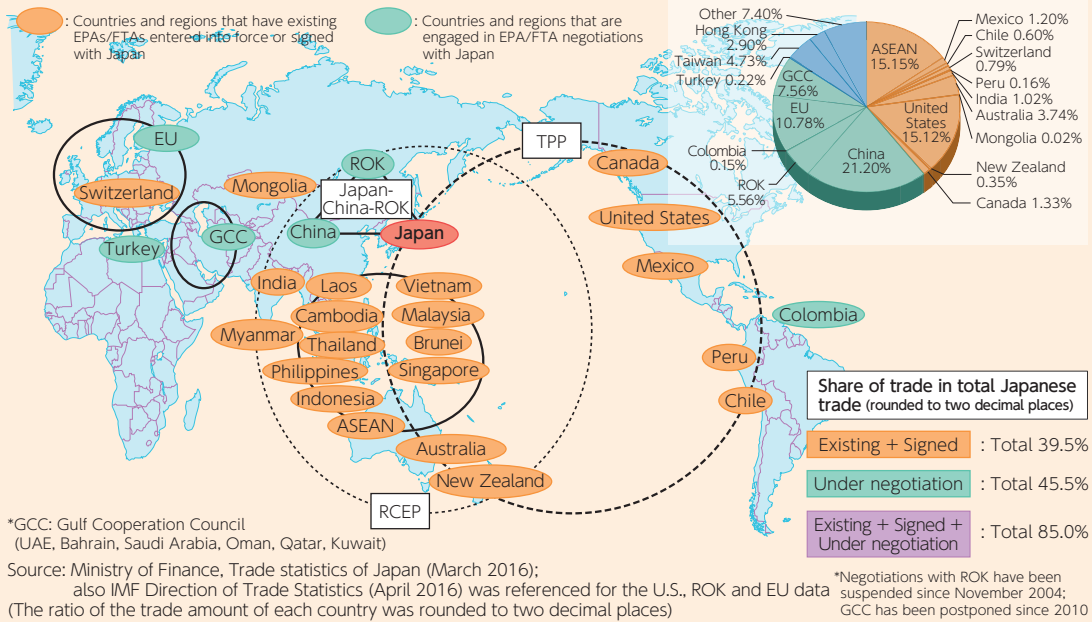
The Japan-China-ROK FTA is a negotiation with Japan's major trading partners: China (1st, about 21%) and the ROK (3rd, about 6%). The negotiations were launched in March 2013, and eleven rounds of negotiations were held by January 2017. At the Japan-China-ROK Trilateral Summit held in November 2015, the leaders confirmed to accelerate the negotiations, and the three countries have been engaged in vigorous discussions over a wide range of fields including trade in goods, investment, trade in services, competition, intellectual property and electronic commerce, with the shared objective of pursuing a comprehensive and high-level FTA.

#### (E) Free Trade Area of the Asia-Pacific (FTAAP) Concept

For the eventual realization of the FTAAP, discussions are being held in APEC on next-generation trade and investment issues that need to be addressed in future FTAAP, and capacity building program

Japan's Efforts for Economic Partnership Agreement (EPAs)

- 16 Economic Partnership Agreements (EPAs) have entered into force or been signed with 20 countries
  - 39.5% of Japan's overall trade is conducted with countries which have EPAs entered into force or signed with Japan (corresponding figures for other countries US: 47.4%; ROK: 67.4%; EU: 32.5%)
  - 85.0% of Japan's overall trade is conducted with countries which have EPAs entered into force, signed, or under negotiations with Japan
- Reference: "Japan Revitalization Strategy" sets a policy goal of bringing up the FTA ratio to 70% by 2018



toward developing economies to realize greater inclusiveness. The “Collective Strategic Study on Issues Related to the Realization of the FTAAP,” launched in 2015, was concluded in 2016. Based on the results of this study, the “Lima Declaration on FTAAP” stressing the need for greater capacity building in developing economies, was adopted at the APEC Economic Leaders’ Meeting in Peru held in 2016.

**B Bilateral Agreements and Other Agreements (Arranged in Chronological Order According to the Time at Which They Start)**

**(A) Republic of Korea (ROK)**

Japan has a mutually dependent and strong economic relationship including trade and investment with the ROK, which

is the most important neighboring country that shares strategic interests. Based on the recognition that an EPA with the ROK will provide both countries with a stable economic framework and bring about mutual benefits for the future, the two countries launched negotiations in 2003. The negotiations were suspended in 2004, and after that both countries continued working level discussions.

**(B) Gulf Cooperation Council (GCC)**

GCC member states constitute one of the most important regions for Japan as an oil and gas supplier, a market for infrastructure and others. The Japan-GCC FTA negotiations were launched in 2006 to reinforce economic ties with GCC member states, but have been suspended since

2009 on the grounds of the GCC side being not fully ready. Japan has been calling for an early resumption of the negotiations with the aim of further strengthening the economic ties with the GCC.

#### **(C) Canada**

In 2012, Japan launched EPA negotiations with Canada, with which Japan shares fundamental values and has a complementary economic relationship. The seventh round of negotiation meetings was held in November 2014 in order to achieve an EPA that can contribute to stable supply of energy, minerals and food from Canada to Japan. Since then, no bilateral negotiations have been held since both countries have focused on TPP negotiations.

#### **(D) Colombia**

In 2012, Japan started EPA negotiations with Colombia, a country which is rich in resources and maintains a high economic growth rate, and by December 2016, thirteen rounds of negotiations had been held. The EPA is also important for the consolidation of peace and nation-building in Columbia, and negotiations are at the final stage.

#### **(E) Turkey**

With Turkey, which has high economic potential and promotes an open economy, Japan agreed to launch EPA negotiations at a bilateral Summit Meeting between Prime Minister Erdogan of the Republic of Turkey, and Prime Minister Abe during Prime Minister Erdogan's visit to Japan in January 2014. Japan and Turkey started EPA negotiations in December 2014. By December 2016, five rounds of negotiations had been held.

### **C Existing Bilateral Agreements**

#### **(A) Mongolia**

Japan launched EPA negotiations in 2012 with Mongolia, where high mid-and-long-term economic growth is expected, aiming at the improvement of the investment environment, including the energy and mineral resource sectors, as well as further expansion of trade and investment. After seven rounds of negotiations, the two countries reached an agreement in principle in July 2014. At the Japan-Mongolia Summit Meeting, Prime Minister Saikhanbileg of Mongolia and Prime Minister Abe signed the agreement when the Prime Minister of Mongolia visited Japan in February 2015. Then on June 7, 2016, the EPA entered into force following the completion of respective necessary legal procedures in both countries.

#### **(B) Existing EPAs**

The existing EPAs contain provisions concerning the Joint Committee, which is a body to discuss implementation of the Agreements, and a process to review the agreements after a certain period of time since the entry into force of each Agreement. In addition, a variety of consultations are held in order to utilize the existing EPAs effectively.

#### **D Movement of Persons**

In accordance with the EPAs, Japan has started to accept candidates for nurses and certified care workers from Indonesia, the Philippines and Viet Nam. In 2016, 279 Indonesians (46 nurses and 233 care workers), 336 Filipinos (60 nurses and 276 care workers) and 180 Vietnamese (18 nurses and 162 care workers) entered Japan. In 2016, 47 nurses (11 Indonesians,



22 Filipinos, and 14 Vietnamese) and 82 care workers (48 Indonesians and 34 Filipinos) passed the national examination. As for nurses and certified care worker candidates from Viet Nam, Japan accepted the first group in June 2014, the second group in May 2015, and the third group in May 2016, totaling 470 candidates.

## **E Investment Treaties/Tax Conventions/Agreements on Social Security**

### **(A) Investment Treaties**

An investment treaty is an important piece of legal infrastructure to promote investments by stipulating the protection of investors and investment, enhancement of transparency in rules, expansion of investment opportunities, procedures for investment dispute settlement, etc. In order to promote the improvement of the investment environment overseas and attract foreign investment to the Japanese market, Japan has actively engaged in negotiating the investment treaties.

In 2016, an investment treaty with Iran was approved by the Diet, and an investment treaty was signed with Kenya. Moreover, as for EPAs that include an investment chapter, the Japan-Mongolia EPA entered into force, and the TPP Agreement was approved by the Diet. There are currently 35 investment-related treaties that have been entered into force (23 investment treaties and 12 EPAs), and six (five investment treaties and one EPA) that have been signed but not yet entered into force, bringing the total to 41, covering 43 countries and regions. Including investment-related treaties that are currently being negotiated, they will cover 80 countries and regions, and around 93% of Japan's direct investments overseas

(as of the end of December 2016).

Seven ministries and agencies including the Ministry of Foreign Affairs (Ministry of Internal Affairs and Communications, Ministry of Justice, Ministry of Foreign Affairs, Ministry of Finance, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry, and Ministry of Land, Infrastructure, Transport and Tourism), adopted the "Action plan aiming to facilitate an investment environment through promoting the conclusion of investment-related treaties" to lay down policies on concluding investment-related treaties in the future. It stipulated the goal to sign and enact investment-related treaties with 100 countries and regions by 2020. This goal is also mentioned in the Growth Strategy.

In an effort to achieve this goal, Japan intends to engage actively in negotiations to conclude investment-related treaties with the Middle East, Africa, Central and South America, and other resource-producing countries. Japan will continue to incorporate the economic growth of emerging countries through overseas investments, while actively engaging in the conclusion of investment-related treaties with the aim of attracting foreign investment to the Japanese market.

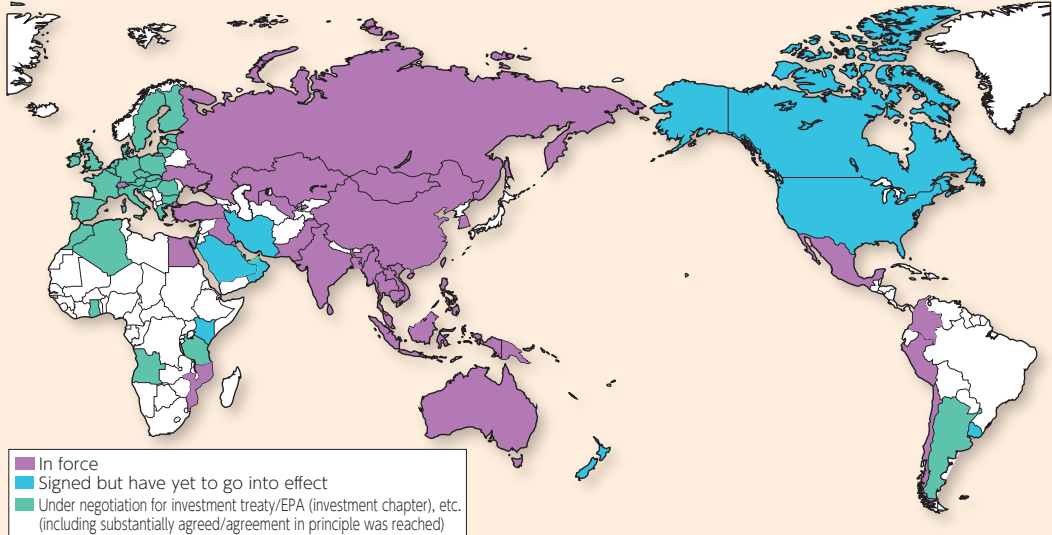
### **(B) Tax Conventions**

Tax conventions are intended to eliminate international double taxation in cross-border economic activities (e.g., to reduce or exempt withholding taxes imposed on investment income such as dividends etc.), or to prevent tax evasion or avoidance, and provides an important legal basis for promoting sound investment and economic exchanges between two countries. Initiatives are being implemented

Current Status of Investment Related Treaties

Status of Negotiating Investment Related Treaties (\*) (\* investment treaties and EPA/FTA including investment chapters

- In force: 35 (23 investment treaties and 12 EPAs)
  - Signed but have yet to go into effect: 6 (5 investment treaties and 1 EPAs)
  - Under negotiation: 15 (9 investment treaties and 6 EPAs)
- } 43 countries/regions covered  
 ————— If these treaties enter into force, 80 countries and regions covered.



■ IN FORCE (except treaties that have ended) ( ) : Year treaty entered into force  
 \*treaties based on liberalization

Investment treaties

- |                     |                            |
|---------------------|----------------------------|
| 1 Egypt (1978)      | 13 Uzbekistan (2009)*      |
| 2 Sri Lanka (1982)  | 14 Peru (2009)*            |
| 3 China (1989)      | 15 Papua New Guinea (2014) |
| 4 Turkey (1993)     | 16 Kuwait (2014)*          |
| 5 Hong Kong (1997)  | 17 Iraq (2014)             |
| 6 Pakistan (2002)   | 18 Japan-China-ROK (2014)  |
| 7 Bangladesh (1999) | 19 Myanmar (2014)*         |
| 8 Russia (2000)     | 20 Mozambique (2014)*      |
| 9 ROK (2003)*       | 21 Colombia (2015)*        |
| 10 Vietnam (2004)*  | 22 Kazakhstan (2015)       |
| 11 Cambodia (2008)* | 23 Ukraine (2015)          |
| 12 Laos (2008)*     |                            |

Note: Japan has a Japan-Taiwan Private Investment arrangement based on liberalization in 2011.

EPAs including investment chapter

- |                    |                           |
|--------------------|---------------------------|
| 1 Singapore (2002) | 7 Indonesia (2008)*       |
| 2 Mexico (2005)    | 8 The Philippines (2008)* |
| 3 Malaysia (2006)* | 9 Switzerland (2009)*     |
| 4 Chile (2007)*    | 10 India (2011)*          |
| 5 Thailand (2007)* | 11 Australia (2015)*      |
| 6 Brunei (2008)*   | 12 Mongolia (2016)*       |

■ Under negotiation

Investment Treaty

- |                            |                                       |
|----------------------------|---------------------------------------|
| 1 Israel                   | EPA/FTA including investment chapters |
| 2 Angola                   | 1 AJCEP*                              |
| 3 Algeria                  | 2 Canada                              |
| 4 Qatar                    | 3 Japan-China-ROK                     |
| 5 The United Arab Emirates | 4 EU                                  |
| 6 Ghana                    | 5 RCEP**                              |
| 7 Morocco                  | 6 Turkey                              |
| 8 Tanzania                 |                                       |
| 9 Argentine                |                                       |

\*AJCEP: ASEAN-JAPAN Comprehensive Economic Partnership  
 \*\*RCEP: Regional Comprehensive Economic Partnership

■ Signed but have yet to go into effect

- Saudi Arabia (signed in April 2013 and approved by the Diet) (investment treaty)
- Uruguay (signed in January 2015 and approved by the Diet) (investment treaty)\*
- Oman (signed in June 2015 and approved by the Diet) (investment treaty)
- TPP (signed in February 2016 and approved by the Diet) (EPA)\*
- Iran (signed in February 2016 and approved by the Diet) (investment treaty)
- Kenya (signed in August 2016, not yet approved) (investment treaty)

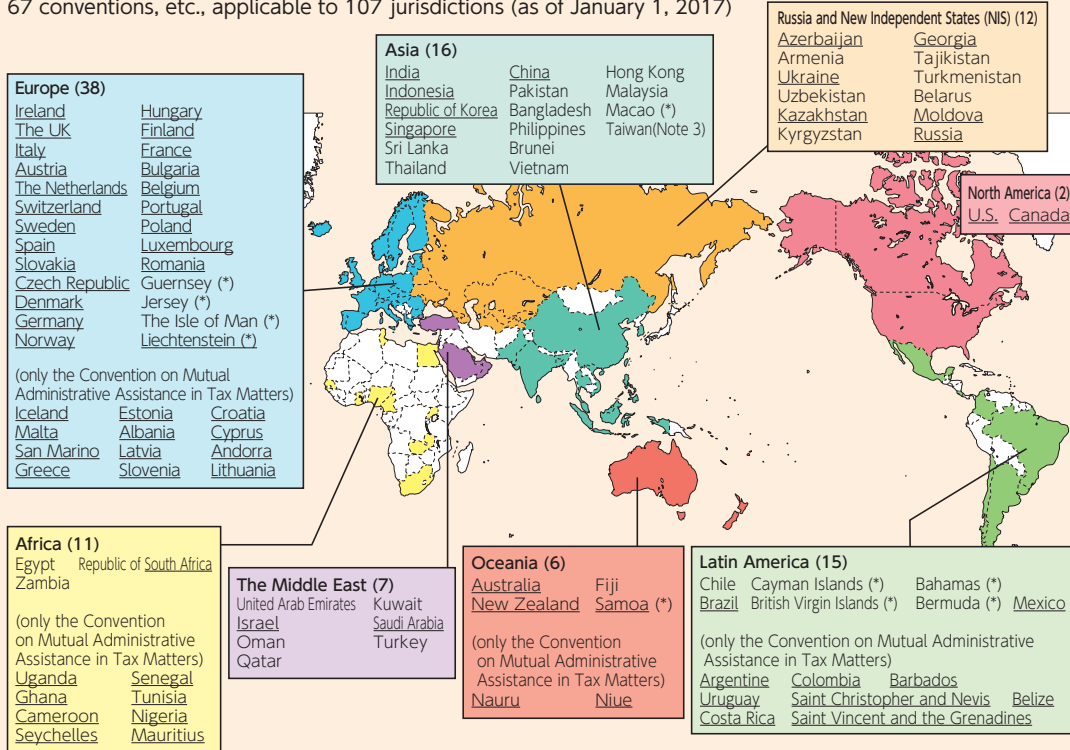
TPP: TRANS-PACIFIC PARTNERSHIP

proactively in accordance with the policy (“Growth Strategy”) of the Government of Japan to expand the tax convention network. In 2016, the Protocol Amending Tax Convention with India (October), the New Tax Agreement with Germany (October), and the Tax Convention with Chile (December) entered into force, and

the Tax Information Exchange Agreement with Panama (August), the Tax Convention with Slovenia (September) and the New Tax Convention with Belgium (October) were signed. Moreover, negotiations for new tax conventions with Latvia (June) and Lithuania (December), and amendment with Austria (October) were agreed in

## Japan's Tax-Related Convention Networks

67 conventions, etc., applicable to 107 jurisdictions (as of January 1, 2017)



Note 1: Since the Convention on Mutual Administrative Assistance in Tax Matters is a multilateral treaty, and the tax conventions with the former Soviet Union and with the former state of Czechoslovakia were succeeded by more than one jurisdiction, the number of jurisdictions does not correspond to those of tax conventions

Note 2: The breakdown of the number of conventions and jurisdictions are as follows:

- Tax conventions for the avoidance of double taxation and the prevention of fiscal evasion: 55 conventions and 66 jurisdictions
- Tax information exchange agreements: 10 conventions and 10 jurisdictions (these jurisdictions are marked with (\*) above)
- The Convention on Mutual Administrative Assistance in Tax Matters: 75 jurisdictions (these are underlined above)
- Private-sector tax arrangement with Taiwan: 1 arrangement and 1 jurisdiction

Note 3: With respect to Taiwan, a framework equivalent to a tax convention is established in combination of (1) a private-sector arrangement between the Interchange Association (Japan) and the Association of East Asian Relations (Taiwan) and (2) Japanese domestic legislation to implement the provisions of that private-sector arrangement in Japan.

principle. As of the end of 2016, Japan has concluded a total of 66 tax-related conventions, and these conventions and Private-sector arrangement with Taiwan are applicable to 107 jurisdictions.

### (C) Agreements on Social Security

The purpose of agreements on social security is to resolve the issues of double payment of social security insurance premiums and no refund of annuity insurance. It is expected to facilitate people-to-people exchange and strengthen further

bilateral relations including economic exchanges, by unloading the burden of Japanese companies and citizens working overseas. The total number of countries, which concluded or signed such agreements with Japan, now stands at 19 as of the end of 2016. In addition, in 2016, Japan held negotiations for new agreements with Turkey, China, Sweden and Slovakia.

## (2) Initiatives with International Organizations (WTO, OECD, etc.)

### A WTO

#### (A) History of WTO and Doha

##### Development Agenda Negotiations

The development of the Japanese economy has largely benefited from the multilateral trading system led by the General Agreement on Tariffs and Trade (GATT) and the World Trade Organization (WTO). While EPA/ FTA negotiations are vigorously conducted, maintaining and enhancing the system is a central pillar of Japanese trade policy toward the revitalization of the Japanese economy, and trade liberalization through WTO negotiations and rule making remain important. However, for more than several decades, not all negotiations have made smooth progress. In the WTO Doha Development Agenda (DDA) negotiations launched in 2001, the single undertaking of the eight areas (agriculture, non-agricultural market access, services, rules, trade facilitation, development, environment and intellectual property rights) had been pursued. However, since 2008, negotiations have remained deadlocked due to such factors as confrontation between emerging and developed countries. At the WTO's 9th Ministerial Conference (MC9) in December 2013, the "Bali Package," consisting of the three areas of (1) trade facilitation, (2) agriculture, and (3) development, was concluded as a partial agreement of the DDA. While there was some progress, the disagreements between emerging and developed countries remained deep-seated, indicating that the conclusion of DDA negotiations is still a long way off.

#### (B) The 10th and 11th WTO Ministerial Conference (MC10 and MC11)

At the 10th WTO Ministerial Conference (MC10) held in 2015, members concluded the ITA expansion negotiations led by Japan as the chair. Though it was a plurilateral agreement, eliminating tariffs on 201 items by 53 countries and regions was expected to bring benefits to all WTO members. With regard to DDA, after 15 years of negotiations, WTO members agreed on export competition in agriculture including export subsidies, which had not been agreed for a long time. These agreements show the WTO's negotiation function is indeed still working and effective.

Considering the future WTO negotiation function, including whether to continue DDA, was the biggest issues concerned before the conference, however, no concrete decision has been made due to the confrontation among members. Although each of the eight areas including development covered by DDA remain important, it is necessary to explore new approaches including up-to-date issues, in order to revitalize and reinforce the WTO's negotiation function. At MC11 to be held in Argentina in December 2017, it will be necessary to carry out negotiations to achieve outcomes incrementally in doable areas, as was confirmed at WTO's Informal Ministerial Meeting held in October 2016.

#### (C) Plurilateral Negotiations

Since the 8th WTO Ministerial Conference in 2011, while the DDA negotiations encountered difficulties, the following negotiations have been made by plurilaterally.

### a The Information Technology Agreement (ITA) Expansion Negotiations

While implementing the Information Technology Agreement (ITA)<sup>2</sup> since 1997, the ITA expansion negotiations were conducted since 2012 with the aim of including newly-developed products<sup>3</sup> reflecting technological innovations to the coverage. In July 2015, 201 IT-related products were newly agreed, and the ITA expansion negotiations were concluded in December 2015 through the negotiations of the tariff elimination period. (As of the end of December 2016, 54 countries and regions<sup>4</sup> joined the ITA expansion). It is expected that the expansion of product coverage will promote IT trade, enforce economic growth and boost productivity through IT.

### b Trade in Services Agreement (TiSA) Negotiations

In order to contribute to further liberalization of trade in services, intensified negotiations on the Trade in Services Agreement (TiSA) have been underway among 50 countries and regions<sup>5</sup> including the U.S., the EU (28 nations), and Australia (as of the end of 2016) since the summer of 2013. Participants agree not to have a priori exclusion of any specific sector from the subject of negotiations, and aim to build on the General Agreement on Trade in Services (GATS), by establishing reinforced rules that are suitable for the

trade in services of today. Japan actively participates in the negotiations.

### c Environmental Goods Agreement (EGA) Negotiations

Environmental Goods Agreement (EGA) negotiations began in July 2014. These negotiations are aimed at eliminating tariffs on environmental goods in accordance with the list of environmental goods endorsed by APEC Leaders in 2012 as well as the commitment made in the APEC Leaders' Declaration in 2013. So far, 46 members<sup>6</sup> have participated and conducted 18 negotiations. Japan has been actively taking part since the start of the negotiations, and these negotiations are expected to expand the trading of environmental goods, and contribute to the achievement of sustainable development. At the G20 Hangzhou Summit (in China) held in September 2016, the leaders confirmed efforts to bridge the remaining gaps and to conclude a future-oriented EGA that seeks to eliminate tariffs on a broad range of environmental goods by the end of 2016. This led to the acceleration of negotiations. However, in the EGA Ministerial Meetings held on December 3 and 4, negotiations could not be concluded due to differences in the demands of participating members. It is important for Japan to continue working toward an early conclusion of the negotiations.

<sup>2</sup> Plurilateral framework to eliminate tariffs on IT products (semiconductors, computers, cellular phones, printers, fax, digital still image cameras) ("Ministerial Declaration on Trade in Information Technology Products"). Agreed in 1996 and executed from 1997. Currently, 82 members (including 28 EU member states) such as Japan, the U.S., the EU, China and Russia are participating.

<sup>3</sup> Digital audiovisual equipment (camcorders, DVD/HD/BD players), digital multifunction machines and printers, medical equipment (electronic endoscopes, etc.), semiconductor manufacturing equipment, etc.

<sup>4</sup> Japan, the U.S., the EU, Australia, Canada, China, the ROK, Hong Kong, Taiwan, Singapore, Israel, Colombia, Costa Rica, Malaysia, Thailand, the Philippines, New Zealand, Norway, Switzerland, Liechtenstein, Mauritius, Montenegro, Guatemala, Iceland, Albania and Macao (54 members including 28 EU member states).

<sup>5</sup> Japan, the U.S., the EU, Australia, Canada, the ROK, Hong Kong, Taiwan, Pakistan, Israel, Turkey, Mexico, Chile, Colombia, Peru, Costa Rica, Panama, Mauritius, New Zealand, Norway, Switzerland, Iceland, and Liechtenstein (50 members including EU member states).

<sup>6</sup> Japan, the U.S., the EU, Australia, Canada, the ROK, China, Hong Kong, Taiwan, Singapore, Costa Rica, New Zealand, Norway, Switzerland, Liechtenstein, Israel, Turkey, and Iceland (46 members including 28 EU member states).

### d Dispute Settlement in International Trade

The WTO dispute settlement system<sup>7</sup> is a quasi-judicial system among the WTO members to resolve trade disputes regarding the WTO Agreements in accordance with the dispute settlement procedures. As a pillar to stabilize and secure predictability in the WTO system, it is functioning effectively. The number of dispute cases since the inauguration of WTO in 1995 through the end of 2016 (the number of requests for consultation) stands at 518. In recent years, the increase in the number of dispute cases and the increase in the complexity of cases heightened the burden on the dispute settlement system. This is now posing a major challenge to the system. Japan has been involved, in the following cases:

- China's measures imposing anti-dumping duties on high-performance stainless steel seamless tubes from Japan<sup>8</sup>: The WTO Dispute Settlement Body recognized anti-dumping duties as being inconsistent with the WTO Agreements, and recommended China abide by the agreement, leading to the abolition of the anti-dumping duties by China in August 2016.

- The ROK's import bans on Japanese fishery products, and testing and certification requirements for radionuclides<sup>9</sup>: A panel was established in September 2015. The panel procedures are currently in progress.
- Brazil's measures concerning taxation<sup>10</sup>: A panel was established in September 2015. The panel procedures are currently in progress.
- The ROK's measures imposing anti-dumping duties on pneumatic transmission valves produced in Japan: A panel was established in July 2016. The panel procedures are currently in progress.
- India's safeguard measures on imports of certain steel products<sup>11</sup>: Japan requested consultations with India in December 2016, in accordance with the WTO dispute settlement procedures.

Japan has contributed significantly to further improvements to the dispute settlement system, including the clarification of the procedures through the DSU<sup>12</sup> review negotiations.

### (D) Efforts toward the Elimination and Correction of Protectionism

Since 2008, against the backdrop of

<sup>7</sup> If a dispute is not resolved through the consultations process the dispute settlement procedures provide for, the disputing member may refer the issue to a panel and contest, e.g., the consistency of the measures concerned with the WTO Agreements. A party dissatisfied with a legal finding by the panel may appeal to the Appellate Body, the final adjudicator, to contest the Panel's findings. Since the establishment of WTO in 1995 through the end of 2016, Japan was involved as a party (either as complainant or respondent) in 38 out of 518 disputes (the number of cases for which requests for consultation were made). The Appellate Body is composed of seven members and the term of members is four years (members may be reappointed once). Three Japanese nationals have served as Appellate Body members since the establishment of the WTO in 1995.

<sup>8</sup> Japan requested the establishment of a panel in May 2013. The case related to anti-dumping duties, which China imposed on high-performance stainless steel seamless tubes used in the boilers in coal-fired thermal power plants. Anti-dumping duty is the duty imposed up to the dumping margin which is the difference between "the normal price" and the export price causing dumping.

<sup>9</sup> The case involving import bans on Japanese fishery products, as well as testing and certification requirements for radionuclides the ROK introduced after the accident at TEPCO's Fukushima Daiichi Nuclear Power Plant in March 2011 and reinforced in September 2013.

<sup>10</sup> The case of Brazil's tax advantage scheme that treats domestic products and exporting companies of Brazil favorably in the automotive and information and communication technology sectors.

<sup>11</sup> The Indian government applied provisional safeguard measures on hot-rolled coils in September 2015. In 2016, definitive safeguard measures were imposed by India. Moreover, the Indian government imposed the Minimum Import Price System on zinc plating, iron rods, etc., in February 2016, and prohibited or restricted the import of these products.

<sup>12</sup> Understanding on Rules and Procedures Governing the Settlement of Disputes

such occurrences as the failure of Lehman Brothers and the European debt crisis, an increasing number of countries throughout the world have introduced protectionist measures. In G7, G20 and APEC, leaders of the participating countries and regions have agreed to continue their efforts to restrain protectionism, and express political commitments accordingly. The WTO has also committed to rolling back protectionist measures through the Trade Policy Review Mechanism (TPRM) and dispute settlement procedures. Japan actively engages in resisting and fighting protectionism.

## **B Organisation for Economic Cooperation and Development (OECD)**

### **(A) Features**

The OECD is the “world’s largest think tank” covering a wide range of economic and social fields such as macro economy, agriculture, industry, environment, science and technology. The OECD makes policy recommendations and forms international norms through discussions among members at committees and working groups. Japan acceded to the OECD as the first non-European and non-American country, in 1964 when it hosted the summer Olympic Games in Tokyo. Since then Japan has been actively engaged in the OECD through discussions at committees and working groups as well as through contributions in terms of financial and human resources.

### **(B) Strengthening the Relationship with Asia**

In view of the increasing importance of Southeast Asia as a world economic growth center, the OECD is focusing on strengthening the relationship with the region. In April, parliamentarians

from Southeast Asian countries visited Japan to coincide with OECD Secretary General Gurría’s visit to Japan. The OECD is promoting policy dialogues between OECD member countries and Southeast Asia through the Southeast Asia Regional Programme, of which Japan is the co-chair of the steering group. The parliamentarians from Southeast Asia exchanged opinions with the members of the OECD Parliamentary Association in Japan, and an OECD Global Parliamentary Network Meeting, a framework of the OECD for exchanges at the parliamentary level, was held in Tokyo. Moreover, at the Southeast Asia Regional Forum held in Viet Nam in June, Japan shared the discussions of the G7 Ise-Shima Summit and OECD Ministerial Council Meeting for the benefit of participants from Southeast Asia. At the same time, Japan reaffirmed its role as a bridge between the OECD and Southeast Asia providing full support to their cooperation.

### **(C) The 2016 OECD Ministerial Council Meeting**

The OECD Ministerial Council Meeting chaired by Chile was held in June under the theme of “Enhancing Productivity for Inclusive Growth.” Japan contributed to discussions at the OECD as Vice-Chair along with Finland and Hungary, while exercising maximum leadership as Chair of the G7 Ise-Shima Summit. The Ministerial Council Statement issued as the result of the OECD Ministerial Council Meeting confirmed the need for a “positive cycle of economic growth and enhanced opportunities and income,” which is also a key element of Abenomics. Furthermore, member countries gave strategic reflection

on the future size and membership of the Organization, and agreed to present a report on the results at the 2017 OECD Ministerial Council Meeting. They also welcomed further progress of initiatives, including the enhancing cooperation with the Economic Research Institute for ASEAN and East Asia (ERIA).

#### (D) Initiatives in Various Sectors

Regarding excessive tax avoidance strategies by multinational enterprises, which attracted international attention through the release of the Panama papers in 2016, the “Base Erosion and Profit Shifting (BEPS) Project” was launched in June 2012 by the OECD Committee on Fiscal Affairs<sup>13</sup>, and countermeasures have been discussed. In this project, discussions were held upon the request of the G20 Finance Ministers in accordance with the “BEPS Action Plan,” which identified 15 actions to address BEPS. The final report was published in October 2015, and, was also reported in November at the G20 Antalya Summit. The measures agreed upon in the project have now entered their implementation phase (“BEPS Implementation Phase”), and to ensure their effective and consistent implementation, the “Inclusive Framework on BEPS” was established at the end of June 2016 in Kyoto. This framework was expanded to include 94 countries and jurisdictions (as of January 5, 2017). Moreover, negotiations were held to develop the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent BEPS, and the Convention was opened for signature at the end of 2016. Japan actively takes part in discussions in the international arena, including the

OECD and G20, and is spearheading global initiatives related to taxes.

#### (E) Contributions in Terms of Financial and Human Resources

Japan was the second biggest financial contributor to the OECD after the U.S. in 2016, covering 10.79 % of the OECD’s mandatory contributions (Part I Budget). Moreover, Japanese nationals have successively served as the Deputy Secretary General, the number two post of the OECD Secretariat. Japan is also the greatest contributor (contributing the same amount as Germany in 2016) to the OECD Development Centre, and a Japanese national has been serving as a Deputy Director of the center since July. Japan has supported the OECD through such contributions in terms of financial and human resources.

#### (3) Initiatives in International Meetings (G7 and G20 Summits, APEC, etc.)

##### A G7 and G20 Summits

G7 and G20 Summits continue to play an essential role in providing an opportunity to show Japan’s own efforts to the international community and to form a global economic order desirable for Japan.

At the Ise-Shima Summit held on May 26 and 27, hosted by Japan as the G7 presidency, the G7 leaders agreed to jointly take a leading role in international efforts to address pressing issues, such as downside risks for the global economy and challenges to the international order through unilateral actions, as a group guided by common values and principles, including freedom, democracy, the rule of law and respect for

<sup>13</sup> Chairman at the time of the launch of the BEPS Project was Masatsugu Asakawa, Vice Minister of Finance for International Affairs, Ministry of Finance (served from June 2011 to December 2016)



human rights. In doing so, they adopted the G7 Ise-Shima Leaders' Declaration.

Regarding the global economy, discussions were held on the current situation, and the G7 leaders committed to reinforce their efforts to address the current economic situation in order to avoid falling into another crisis. While reaffirming the important role of fiscal, monetary and structural policies, the three-pronged approach, G7 leaders concurred on (1) strengthening economic policy responses in a cooperative manner, (2) using all policy tools - monetary, fiscal and structural - individually and collectively to strengthen global demand and address supply constraints, especially on the importance of strengthening efforts in a cooperative manner to implement fiscal strategies flexibly as well as to advance structural reforms decisively. Moreover, as Presidency, Japan prioritized the issues of "quality infrastructure investment," "health" and "women" to lead the international community as G7, and agree to take specific actions.

In the field of politics and diplomacy, discussions centered on topics concerning Asia, such as maritime security and North Korean issues, due to the summit being held in Asia for the first time in eight years. Regarding maritime security, the leaders reaffirmed the importance of the "Three Principles of the Rule of Law at Sea," and confirmed their intent to closely cooperate in finding comprehensive solutions to the various pending problems related to North Korea, including the nuclear problem, missile problem and abduction issue. Moreover, discussions were held on issues faced by the international community, such as terrorism, violent extremism and the

refugee crisis, and the leaders agreed on the need to spearhead international initiatives.

For Japan it was the first summit to be held in the country in eight years, since the Hokkaido Toyako Summit, and Japan succeeded in making an impact in the global arena by leading discussions and achieving specific results in not only addressing the issue of the global economy, which was the summit's biggest theme, but also the priority issues of Japan of "quality infrastructure investment," "health" and "women," as well as maritime security.

At the G20 Hangzhou Summit (in China), in light of the various downside risks the global economy is currently facing, the leaders exchanged views on how the G20 can strengthen policy coordination to foster an innovative, invigorated, interconnected and inclusive world economy, and the G20 Leaders' Communique was adopted at the closing of the summit.

The G20 expressed its determination to use all policy tools - monetary, fiscal and structural - individually and collectively and formulated the Hangzhou Action Plan incorporating the latest macroeconomic and structural policy measures, as well as the G20 Blueprint on Innovative Growth, which along with structural reforms covers the areas of innovation, the new industrial revolution and the digital economy. Moreover, the leaders reiterated their opposition to protectionism, as well as reaffirming cooperation in areas such as international tax, including the BEPS (Base Erosion and Profit Shifting) Project and measures to fight corruption, and confirming efforts to further liberalize trade and investment. The leaders also agreed to conclude negotiations on the Environmental Goods Agreement (EGA)

## Outcome of the APEC Economic Leaders' Meeting in Peru in 2016

		Points of the Leaders' Declaration
Promotion of regional economic integration	Global economy	● Remain committed to using all policy tools – monetary, fiscal, and structural.
	Promotion of free trade	● Reaffirmed the commitment to fight against all forms of protectionism. ● Affirmed the need to reach out to all sectors of societies to better explain the benefits of open markets.
	Inclusive growth	● Reaffirmed the aspirations to achieve balanced, inclusive, sustainable, innovative, and safe growth in the APEC region.
	Free Trade Area of the Asia-Pacific (FTAAP)	● Endorsed the Recommendations of the Study as the Lima Declaration on FTAAP. ● FTAAP should be high quality and comprehensive, and incorporate and address 'next generation' trade and investment issues. ● Reaffirmed commitment that FTAAP should be built upon ongoing regional undertakings, and through possible pathways including the TPP and RCEP.
	Services	● Endorsed the APEC Services Competitiveness Roadmap (2016–2025). Established targets to be achieved by 2025 including securing an environment for access to the services market, and expansion of APEC services trade.
	Digital trade	● Welcomed initiatives by respective economies to explore potential economic growth in the field of digital trade. Recognized the importance of implementing the APEC Cross-Border Privacy Rules (CBPR) System.
	Quality infrastructure	● Reaffirmed the importance of quality infrastructure for sustainable economic growth.
Enhancing the regional food market	Food security	● Possibility of contributing to address challenges to food security through promoting sustainable agriculture, enhancing food markets, and integrate food producers into food value chains. ● Commitment to enhance cooperation on implementing policies to address the relationship between food security and climate change issues in the respective economies.
Modernization of micro, small, and medium-sized enterprises	Global value chains (GVCs)	● Recognized that micro, small, and medium-sized enterprises are an essential component to achieve quality growth and prosperity. ● Encouraged further efforts to enable better participation of developing economies and MSMEs in GVCs.
Developing human capital	Education	● Encouraged economies to collaborate on improving education in the Asia Pacific region.
	Women	● Welcomed efforts to support women's entrepreneurship, grow women-led SMEs, enhance women's digital literacy, promote women's career development, strengthen women and girls' access to science, technology, engineering and mathematics (STEM) education and careers.
	Health	● Emphasized the importance of promoting resilient and sustainable health systems toward the achievement of Universal Health Coverage (UHC).
Looking forward	Terrorism	● Strongly condemned acts of terrorism in all its forms and manifestations.
	Anti-corruption measures	● Encouraged all economies to implement anti-corruption actions.

by the end of 2016, and agreed on further initiatives to tackle the excess capacity in the steel industry and other industries

At the G20 Hangzhou Summit, the world economy was the biggest theme as it was at the G7 Ise-Shima Summit. On the basis of the discussions at the Ise-Shima Summit, Japan, as the G7 presidency, stressed that,

with the world economy facing various risks, it is important that we strengthen international cooperation. The leaders of the G20 concurred on the need to take all appropriate policy responses including monetary and fiscal policies, as well as restructuring. The leaders, including emerging economics such as China, were

able to reach the agreement on steadily addressing structural problems, such as excess capacity in some industries.

## **B Asia-Pacific Economic Cooperation (APEC)**

APEC is a forum that aims at sustainable development in the Asia Pacific region on a voluntary basis by each of the 21 economies<sup>14</sup> in order to promote regional economic integration and cooperation. APEC consists of 21 countries and regions (economies) in the Asia-Pacific region, and it is a “world growth center” with about 40% of the world population, around 50% of the trade volume, and about 60% of the world GDP. Regional trade accounts for about two-thirds of the total trade, being comparable with the EU in terms of establishing a close regional economy. Strengthening economic cooperation and trust relationships in the APEC region is extremely important in pursuing Japan’s further development. APEC Economic Leaders’ Meetings and Ministerial Meetings provide the member economies with significant opportunities to exchange frank views among leaders and ministers regarding major interests in the international community, specifically focused on various economic issues.

At APEC 2016 chaired by Peru, under the overall theme of “Quality Growth and Human Development,” the four priority issues were identified as (1) the promotion of regional economic integration and quality growth, (2) the enhancement of the regional food market, and (3) the modernization of micro, small and medium-enterprises, and (4) the development of human capital. At the APEC Economic Leaders’ Meeting held



APEC Economic Leaders’ Meeting in Peru, 2016 (November 20, Lima, Peru (Photograph of representatives) Photo: Cabinet Public Relations Office)

in November, active discussions were held on the overall theme and priorities described above. As a result, the meeting adopted the APEC 2016 Leaders’ Declaration, and as its annexes, the “Lima Declaration on the Free Trade Area of the Asia-Pacific (FTAAP)” and the “APEC Services Competitiveness Roadmap (2016 – 2025).

Prime Minister Abe expressed the need for leaders to use all policy measures – monetary, fiscal, and structural – individually and collectively, to respond to the growing downside risks to the global economy. Prime Minister Abe also stated that free trade is the foundation of global economic growth, and expressed Japan’s intention to continue to promote free trade by progressing policies to bring about “Inclusive Growth” in response to the protectionism brought about by growing disparity. He further expressed that the TPP Agreement would create a free and fair international economic zone which would serve as a foundation of the “Inclusive Growth,” and that aiming to achieve a comprehensive and high quality agreement in the Free Trade Area of the Asia-Pacific (FTAAP) would work as another basis of “Inclusive Growth.”. He also stated that realizing the Inclusive

<sup>14</sup> APEC participating units including Hong Kong, China and Chinese Taipei

Economy is indispensable to cultivating sustained public support for free trade, and introduced Japan's activities to realize its initiative of "The Japan's Plan for Dynamic Engagement of All Citizens," emphasizing it as a strong example of a growth strategy based on a "virtuous cycle of growth and distribution. Moreover, Prime Minister Abe asserted the need to establish a free and fair business environment in response to new businesses such as in the service sector and digital trade.

Viet Nam will host APEC in 2017.

#### (4) Intellectual Property

Strengthening the protections of intellectual property is extremely important for the promotion of technological innovation, and eventually for the development of the economy. Japan has actively participated in multilateral consultations, such as APEC, the WTO (TRIPS Council) and the World Intellectual Property Organization (WIPO). In March, Japan deposited instruments of accession to the Patent Law Treaty (PLT) and the Singapore Treaty on the Law of Trademarks (STLT) to the WIPO, and the treaties came into force for Japan in June. Japan has been stipulating rules on intellectual property rights in all possible EPAs: While making effective use of provisions providing a high level of protection set forth in international agreements, such as Anti-Counterfeiting Trade Agreement (ACTA) and the TPP Agreement, as the basis for calling for stronger protection, Japan has been negotiating EPAs diligently to ensure the adoption or maintenance of an internationally harmonized intellectual

property system and the effective enforcement of relevant laws. Furthermore, in order to contribute to strengthening the protections of intellectual property and enhancing the abilities of government officials in developing countries in such fields as countermeasures against counterfeited or pirated goods, Japan has dispatched experts to those countries through JICA.

Moreover, MOFA has been taking measures to reinforce the protection of intellectual property rights overseas, and countermeasures against counterfeited or pirated goods. For example, for the purpose of rapidly and efficiently providing assistance for Japanese companies that are suffering from counterfeit and pirated goods, Intellectual Property Officers are assigned at almost all of the diplomatic missions overseas, so that they can advise Japanese companies and make inquiries with or suggestions to their counterpart governments.

## 2 Support for Japanese Companies' Overseas Business Expansion in Promoting Public and Private Partnerships

### (1) Promotion of Japanese Companies' Overseas Business Expansion by Ministry of Foreign Affairs (MOFA) and Accompanying Diplomatic Missions Overseas

The number of Japanese companies holding overseas branches has increased in recent years and reached 71,129<sup>15</sup> as of October 2015. The ratio of overseas manufacturing production has risen in recent years to 24.3% – a record-high level

<sup>15</sup> The Statistics on the Japanese Nationals Residing Overseas, MOFA



Reception to promote Japanese food, sake, and food culture (Embassy of Japan in Italy)

in 2013<sup>16</sup>. One of the reasons behind this is that a lot of Japanese companies, supporting Japanese economic development, have embarked on expansion overseas, aiming at further cultivation of foreign markets. To incorporate vigorous economic growth abroad, mainly in Asia, into the Japanese economy, support for Japanese companies by the government has become more important.

In light of such a situation, under the leadership of “Headquarters for the Promotion of Japanese Business Support<sup>17</sup>” headed by the Foreign Minister, MOFA has engaged in tandem with the diplomatic missions overseas in supporting Japanese companies in order to promote expanding businesses overseas. The “Division for Promotion of Public and Private Partnership,” established in September 2015 within the Economic Affairs Bureau, oversees the forming of public and private partnerships in the expansion of Japanese companies overseas by gathering information and laying down policies in support of companies, responding to inquiries from companies, engaging in PR activities, etc. Initiatives are being

implemented with the support of the entire ministry.

At the diplomatic missions overseas, all staff, including those responsible for Japanese business support, have supplied various pieces of information for Japanese companies and lobbied foreign governments under the leadership of ambassadors and consul-generals with the aim of providing meticulous and specific support according to the conditions in various regions, and under the motto of being “the most open and responsive government office in the world.” Moreover, promoting the “Japan brand,” such as the products, technologies, services and agricultural, forestry and fishery products of Japanese companies at receptions to celebrate the birthday of His Majesty the Emperor, and various other events and exhibitions held by overseas diplomatic missions, is another important initiative in supporting Japanese companies. MOFA is also proactive in providing embassies and ambassadors’ residences as venues for holding exhibitions of the products of Japanese companies and local governments, food tasting events, etc., as well as holding seminars on business expansion, and social gatherings for local companies and associated organizations.

## (2) Promotion of Overseas Business Expansion of Japanese Infrastructure System

In order to respond to infrastructure demands mainly in emerging countries and promote infrastructure exports by Japanese companies, a “Ministerial Meeting on Strategy Relating to Infrastructure Export

<sup>16</sup> The 45th Survey of Overseas Business Activities, METI

<sup>17</sup> Established in December 2013. The system was bolstered in May 2015 by appointing the two state ministers for foreign affairs as deputy chiefs, and all Parliamentary vice-ministers for foreign affairs as acting chiefs.

and Economic Cooperation,” consisting of relevant cabinet ministers with the Chief Cabinet Secretary serving as chair, was established within the Cabinet Secretariat in 2013. Since then, a total of 28 meetings have been held as of the end of 2016, to focus on individual issues, including specific countries and regions, railways, and information communication, in addition to discussing the laying down of “Strategy for Exporting Infrastructure Systems” and following up on them, with the aim of strengthening qualitative and quantitative support through expansion of the risk-money supply, the speeding up of yen loans, expansion of targets for overseas loans and investments, implementing of strategic PR, etc.

The framework to promote the development of overseas business expansion of Japanese infrastructure systems is being maintained and reinforced through schemes such as the promotion of “top-level sales” led by officials including Prime Minister Abe and Foreign Minister Kishida, the improved system to make use of yen credits more strategically, and the support for Japanese companies through embassies and consulates-general in various nations. MOFA has appointed “officers in charge of Infrastructure Projects,” who gather and consolidate information on infrastructure projects, in the diplomatic missions overseas in countries of focus (173 personnel, at 88 diplomatic missions overseas in 69 countries as of December 2016).

As concrete results of these efforts, Japanese companies or their group companies received orders for such projects as the launching of a Mars probe (UAE), thermal power plants (Indonesia, Uzbekistan, etc.), and an urban railway

system (Thailand).

### (3) Promotion of the Export of Agricultural, Forestry and Fishery Products and Food

The Government of Japan has set a goal of expanding the value of the export of Japanese agricultural, forestry and fishery products and food to 1 trillion yen by 2019 (“Economic Measures for Realizing Investment for the Future”). MOFA, in collaboration with relevant ministries and agencies, Japanese companies, local governments, etc., and by utilizing the diplomatic missions overseas all over the world, is energetically promoting the attractiveness of Japanese products at events held at embassies and consulate generals, etc., such as receptions to celebrate the birthday of His Majesty the Emperor. At the same time, MOFA has responded to inquiries from business operators, including those involved in exporting agricultural, forestry and fishery products and food. In particular, Japanese business support officers (in charge of the food industry) were assigned to 58 diplomatic missions overseas in 54 countries and regions to strengthen initiatives to promote the export of agricultural, forestry and fishery products and food.

Although six years have passed since the Great East Japan Earthquake and the accident at Tokyo Electric Power Company’s Fukushima Daiichi Nuclear Power Plant (TEPCO’s, Fukushima Daiichi NPS), many countries and regions continue to place import restrictions on Japanese agricultural and fishery products and food. Based on scientific evidence, MOFA has requested other countries to consider the relaxation or abolition of import restrictions as soon

**Column Quality Infrastructure Investment**

The global supply and demand gap in infrastructure investment, and the realization of sustainable growth are serious issues facing the international community. In order to tackle these issues, the international community is becoming more aware that it is necessary to pursue both the quality and quantity of infrastructure and to promote quality infrastructure investment. “Quality infrastructure investment” refers to investment that takes into account not only the cost of infrastructure itself but also elements such as the life-cycle cost including maintenance and management, safety and resilience, consideration for environmental and social aspects, local job creation and human resource development, and effective utilization of public and private funds including through public-private partnerships (PPP) under full consideration of the developmental phase of the recipient country and other factors. In May 2016, at the G7 Ise-Shima Summit with Japan holding the G7 Presidency, G7 agreed on the “G7 Ise-Shima Principles for Promoting Quality Infrastructure Investment,” which incorporates the fundamental elements of quality infrastructure investment.

With the aim of promoting quality infrastructure investment, Prime Minister Abe unveiled the “Partnership for Quality Infrastructure” in May 2015. Under this initiative, Japan, in collaboration with the Asian Development Bank (ADB), will provide approximately US\$110 billion for quality infrastructure investment in Asia over the next five years starting in 2016, and through efforts to improve loan assistance systems, work toward providing even more attractive financing to fulfill infrastructure demand in Asia. On May 23, 2016, Prime Minister Abe announced the “Expanded Partnership for Quality Infrastructure”, through which the public and private sectors will provide financing of approximately US\$200 billion to fulfill infrastructure demand not only in Asia but across the world. At the same time, he also announced plans to further improve loan assistance systems and to strengthen the structures of government institutions that provide assistance, including the Japan International Cooperation Agency (JICA).

Alongside these initiatives to provide funds and improve various systems, Japan is also working on concrete projects on quality infrastructure. In India, for example, Japan and India cooperate to advance the high-speed railway project that connects around 500 km between Mumbai and Ahmedabad. In this project, the decision has been made to introduce Japan’s Shinkansen (bullet train) system. It is expected to utilize Japan’s advanced technology to develop high-speed railways through human resource development for the operation, maintenance, and management of the high-speed railways as well as technology transfer. Japan intends to financially support the realization of this project by providing funds for the project in a timely manner. This project will contribute to promoting the flow of people and goods in India, revitalizing the Indian economy, and transferring Japan’s safe and high-performance technology to India which makes this project a good example of quality infrastructure investment. Going forward, Japan hopes to continue cooperating with countries and international institutions in Asia and around the world to promote such quality infrastructure investment in various countries.



Prime Minister Abe inspecting the *Shinkansen* and *Shinkansen* factory with Prime Minister Modi of India (November 12, Tokyo Station, and factory specializing in the production of railway cars in Kobe City, Hyogo Prefecture. Photo: Cabinet Public Relations Office)

as possible by providing each country with timely and accurate information and using WTO frameworks in collaboration with relevant ministries and agencies, in order to eliminate harmful rumors about agricultural and fishery products, which are the main products of the disaster-stricken area.

As a result of these efforts, import restrictions were lifted in India (February), Kuwait (May), Nepal (August), Iran (December), and Mauritius (December). So far, 21 countries have removed their import restrictions (Canada, Myanmar, Serbia, Chile, Mexico, Peru, Guinea, New Zealand, Colombia, Malaysia, Ecuador, Viet Nam, Iraq, Australia, Thailand, Bolivia, India, Kuwait, Nepal, Iran and Mauritius). In addition, restrictions were eased in 2016 by the U.S., 28 EU Member States, Switzerland, Norway, Iceland, Liechtenstein, Egypt, Brunei, French Polynesia, Israel, Qatar, New Caledonia and the UAE, and the number of regions and items subject to

import restrictions are on the decline (as of the end of December 2016).

MOFA will continue persistent efforts, collaborating with relevant ministries and agencies, to urge countries and regions, which maintain import restrictions, to ease or remove restrictions as soon as possible by such means as making requests at the leaders' and ministerial levels, through all routes, including bilaterally and through the WTO.

#### (4) The UK's Withdrawal from the EU: Message from Japan

In response to the impact on the activities of Japanese business and the real economy, resulting from the national referendum on June 23 in support of the UK's withdrawal from the EU, Japan established the Government Task Force Regarding the Withdrawal of the UK from the EU<sup>18</sup> in July, chaired by Deputy Chief Cabinet Secretary Hagiuda.

<sup>18</sup> The Government Task Force Regarding the Withdrawal of the UK from the EU, chaired by Deputy Chief Cabinet Secretary Hagiuda, was established in July 2016. It compiled concerns and requests of the business community, centered on Japanese businesses operating in Europe, through the relevant ministries and agencies (the Cabinet Office, Financial Services Agency, Ministry of Foreign Affairs, Ministry of Finance, Ministry of Health, Labour and Welfare, Ministry of Agriculture, Forestry and Fisheries, Ministry of Economy, Trade and Industry, Ministry of Land Infrastructure and Transport, and the Personal Information Protection Commission Secretariat). Four meetings have so far been held (the 1st meeting was held on July 27, 2016, the 2nd on August 18, the 3rd on September 2, and the 4th on January 19, 2017).



Japanese businesses operating in the UK and the EU, in their diversity in size, sectors and the context in which they invested in the market, are said to have more than 6,000 bases throughout Europe. Many Japanese businesses made their way into the EU market, assuming that the freedom of economic activities is ensured. In the UK amongst others, where diverse industries locate their bases, there are outstanding voices calling for the UK to continue to participate in the “Single Market<sup>19</sup>” and “Single Passport<sup>20</sup>.”

“Japan’s Message to the UK and the EU”<sup>21</sup> was adopted at the 3rd meeting of the government task force to address the UK’s withdrawal from the EU held in September, to ensure that the views of business are represented appropriately during withdrawal negotiations between the UK and the EU. The Message was conveyed promptly to the UK and the EU, including during the brush-by meeting at the G20 Hangzhou Summit between the leaders of Japan and the UK (September 5), and the Japan-UK leaders’ meeting held during the UN General Assembly (September 20). Moreover, the Embassy of Japan in the UK has continued dialogue with the British government, based on the Message. While holding a series of explanatory meetings for Japanese businesses with the participation of British dignitaries, Japan’s diplomatic missions to relevant countries have also been gathering the latest information

related to the UK’s withdrawal from the EU and providing information to Japanese businesses.

### 3 Promoting Resource Diplomacy along with Foreign Direct Investment in Japan

#### (1) Securing a Stable Supply of Energy and Mineral Resources at Reasonable Prices

#### A Current Situation of Energy and Mineral Resources at Home and Abroad

##### (A) Situation in the World

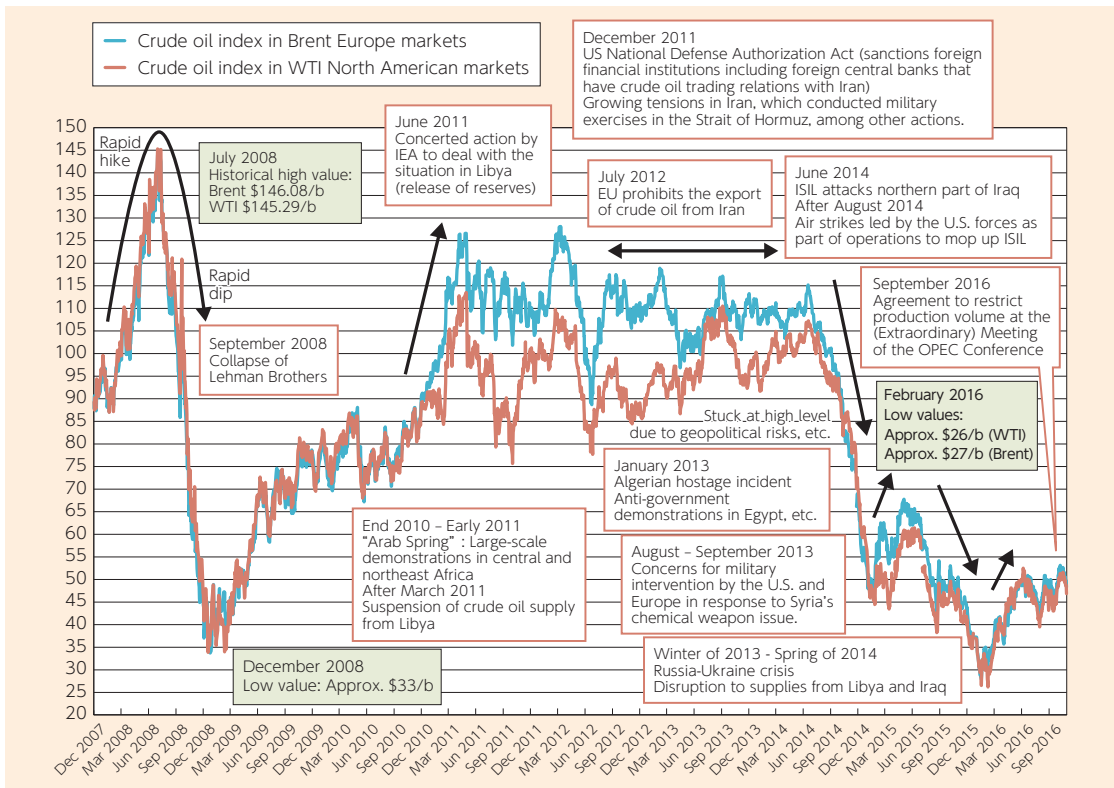
Crude oil prices had remained at high levels since the end of 2010, reflecting factors such as increased energy demand centered on emerging countries, intensifying competition, the rise of resource nationalism, and changing situations in the Middle East. However, the price of crude oil declined from the latter half of 2014 mainly as the result of a slowdown in oil demand due to economic stagnation in China, and the relaxation of supply and demand caused by a steady increase in oil production by non- OPEC member states, including shale oil production in the U.S. The price remained low, temporarily falling below 30 US dollars per barrel in 2016. Concerns of a prolonged stagnation in oil prices led to an agreement among member countries, as well as non-member countries, at OPEC’s meeting in November to reduce production output. Prices temporarily rose to above

<sup>19</sup> A system allowing the free movement of people, goods, services and capital between EU Member States without being hindered by borders or other obstacles, just as they move freely within each Member State.

<sup>20</sup> A system ensuring the freedom to establish and operate branch offices and to provide financial services in all other EU Member States, upon acquiring a license in one Member State.

<sup>21</sup> The main points of Japan’s message to the UK and the EU are as follows: (1) Japan expects to continue cooperating and collaborating closely with the UK and the EU for international peace, stability and prosperity, (2) Japan expects the maintenance of an open Europe with its free trade system, and agreement in principle on the Japan-EU EPA during the year, (3) Japan requests the securing of predictability in BREXIT negotiations through an uninterrupted and transparent process, (4) Japan requests the UK and the EU to heed the voices of Japanese businesses to the fullest extent and to do their utmost to cooperate in taking the necessary measures, and (5) Japan is willing to cooperate with the UK and the EU so that the process of negotiations for the UK’s withdrawal will not cause major disturbance to the world economy.

## Crude Oil Price Trends



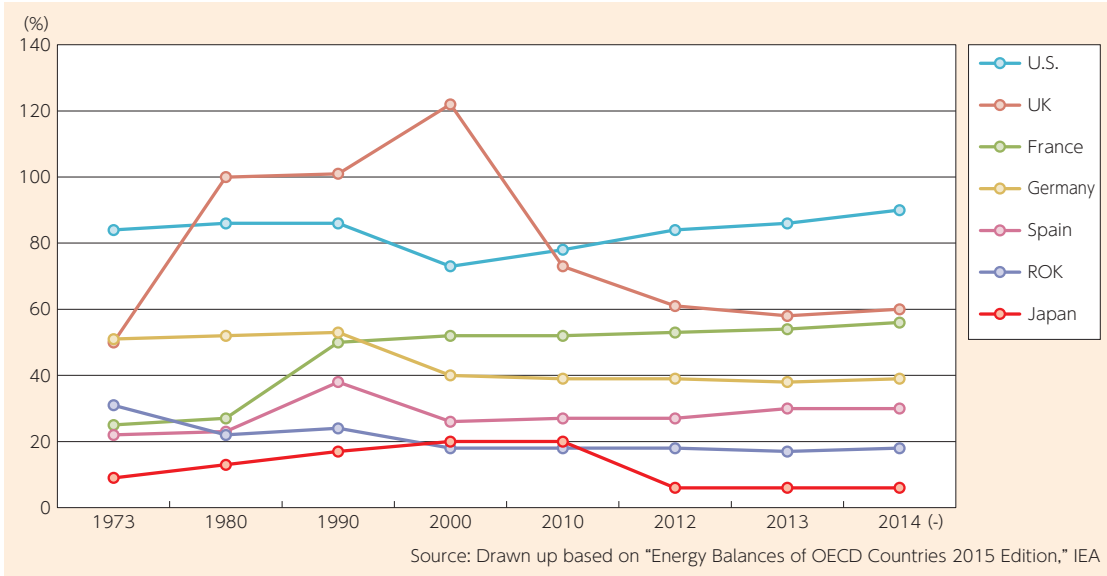
50 US dollars per barrel, and oil prices appear to be rising over the mid-to-long-term. While the decline in oil prices brings benefits to energy consuming countries in the short term, it is financially detrimental to oil producing countries, and leads to decreased investment in energy-related projects, so it is important to continue to keep a close eye on its mid-to-long-term impact on energy security.

### (B) Situation in Japan

Japan's reliance on fossil fuels for power generation reached about 90% after the Great East Japan Earthquake, while it had been about 60% before. The "Strategic Energy Plan" was approved by the Cabinet in 2014 with increasingly serious consideration being given to the securing of a stable supply of energy at reasonable

prices, due to the undesirable impact of rising fuel procurement costs on the trade balance. In July 2015, based on the Strategic Energy Plan, the "Long-term Energy Supply and Demand Outlook" (outlook for the structure of energy supply and demand that can be realized if appropriate measures are taken based on the fundamental direction of energy policies laid down upon envisioning the policy objectives to be achieved, from the perspective of safety, stable supply of energy, economic efficiency and the eco-friendliness of the energy policies) was approved. Moreover, full liberalization of the electricity retail market began in Japan, in April 2016.

Energy self-sufficiency rate in major countries



## B Diplomatic Efforts to Secure a Stable Supply of Energy and Mineral Resources at Reasonable Prices

Securing a stable supply of energy and mineral resources at reasonable prices forms the foundation for the vital economy of Japan and the livelihoods of its people. Japan has been strengthening diplomatic efforts, focusing on the following activities.

### (A) G7 Summit

In 2016, Japan led discussions on energy security as the G7 chair. The G7 Kitakyushu Energy Ministerial Meeting was held in May, in Kitakyushu City, Fukuoka Prefecture. As a result, the "Kitakyushu Initiative on Energy Security for Global Growth" was issued as a joint statement. This was also carried over to the G7 Ise-Shima Summit, and the G7 Ise-Shima Leaders' Declaration included a statement on the importance of initiatives to continue stable investment in quality energy infrastructure and upstream developments, which Japan prioritizes, and continue taking

actions toward strengthening a transparent and flexible natural gas market. Moreover, the "CONNEX Guiding Principles towards Sustainable Development" were endorsed as part of the Leaders' Declaration. The CONNEX Initiative aims to realize Sustainable Development Goals (SDGs), and it is a framework for promoting the development of resources in a way that ensures the appropriate benefitting of emerging countries through cooperation by G7 countries in fostering human resources and legislation. Japan is actively involved in this framework.

### (B) Strengthening Comprehensive and Mutually-Beneficial Ties with Resource-Rich Countries

In order to secure a stable supply of energy and mineral resources, Japan has been making efforts to strengthen comprehensive and mutually-beneficial ties with resource-rich countries at the leaders' and ministerial level and thorough cooperation utilizing its ODA, including

technical cooperation and human resources development in the resource sector. In particular, since the inauguration of the Abe Administration, Prime Minister Abe, Foreign Minister Kishida, and Economy, Trade and Industry Minister Hiroshige Seko have engaged in proactive resource energy diplomacy while visiting major resource-rich countries or holding meetings with their leaders in North America, the Middle East, Africa, Latin America and the Asia-Pacific region. In 2016, Prime Minister Abe visited Russia and Mongolia, in addition to holding leaders' meetings with various countries in the Middle East (Iran, Qatar, Kuwait, Saudi Arabia, etc.), Kazakhstan, Brazil, etc., to strengthen bilateral ties.

### **(C) Ensuring Security of Transportation Routes**

There have been threats posed by piracy along the sea lane stretching from the Middle East to Japan, through which approximately 80% of the total oil imports to Japan passes, and along other internationally important sea lanes such as those off the coast of Somalia and the Gulf of Aden. With this in mind, Japan has supported the coastal countries through such measures as enhancing the capability to enforce maritime law, cooperating on information sharing among countries concerned, and developing navigation facilities. Japan has also been dispatching units of the Japan Self-Defense Forces and Japanese Coast Guard officers to areas off the coast of Somalia and the Gulf of Aden to engage in escort operations of ships from all over the world (See 3-1-3(4) Oceans and Seas).

### **(D) Gathering and Analysis of Resource-Related Information at the Diplomatic Missions Overseas**

With a view to strengthening the function of the diplomatic missions overseas, "Special Assistants for Natural Resources" have been assigned to 55 diplomatic missions overseas in 50 countries to work intensively for the acquisition and stable supply of energy and mineral resources (as of the end of December 2016). Furthermore, MOFA holds "Strategy Meetings on Natural Resources" by gathering officials who are assigned to the diplomatic missions overseas in countries, which are important in terms of ensuring a stable supply of energy and mineral resources. The meetings involve active discussions concerning current situations and the future direction of Japan's efforts for securing resources.

### **(E) Making Use of International Fora and Rules**

Japan has actively participated in various International Energy Agency (IEA) activities for international collaboration and cooperation to maintain a stable supply of energy. Japan endeavors to strengthen its capability to respond to emergencies such as disruptions in oil supply, while striving to quickly and accurately grasp information, such as trends in the global energy markets, the medium and long-term outlooks for supply and demand, and trends in resource-producing countries. Moreover, in 2016, Japan hosted the Meeting of the Energy Charter Conference in Tokyo for the first time in East Asia. Japan led discussions as Chair of this meeting, which is the highest decision-making body of the Energy Charter Treaty (ECT) that prescribes liberalizing trade and transit, and protecting

and promoting investment in the energy sector. The “Tokyo Declaration on the Energy Charter” was issued as an outcome document referring to the promotion of clean energy in an effort to simultaneously address the international issues such as energy security and climate change, ensuring the stability and transparency of the environment for investing in, e.g., quality infrastructure, and bolstering of outreach activities to attract new members to the ECT. Furthermore, with regard to LNG, Japan held the “LNG Producer-Consumer Conference 2016” (hosted by METI and the Asia Pacific Energy Research Centre (APEREC)) in November 2016.

### **C Oceans and Seas (continental shelves and deep seabed)**

As Japan is not abundant in energy and mineral resources on its land, marine living resources and natural resources in the continental shelf and the sea-bed and ocean floor and subsoil thereof beyond the limits of national jurisdiction (the Area) in the surrounding waters are important, from the perspective of securing stable supply sources and ensuring the sound development of the economy. Japan is proceeding with necessary measures to secure its interests at sea based on the United Nations Convention on the Law of the Sea (UNCLOS). Toward the establishment of its outer limits of the continental shelf beyond 200 nautical miles, Japan received the recommendations from the Commission on the Limits of the Continental Shelf (CLCS) in April 2012 in which four out of seven regions that Japan made its submission to the CLCS, were recognized and following this, in October 2014, Japan established

extended continental shelves in two regions in accordance with the “Future Policy for Extending the Continental Shelf” decided by the Headquarters for Ocean Policy in July of the same year. Japan is also coordinating with a state concerned regarding another two regions and is making continuous efforts for early recommendations of the remaining one region, on which recommendations were deferred (See 3-1-6).

With regard to deep seabed, two Japanese contractors concluded contracts with the International Seabed Authority (ISA) and gained exclusive rights to explore for deep-sea mineral resources in a designated exploration area in search of manganese nodules and cobalt-rich ferromanganese crusts.

### **D Efforts toward Green Growth and a Low Carbon Society**

Japan has been making contributions toward the realization of green growth and the promotion of a low-carbon society in the international community, including in developing countries (e.g., in human resources development and cooperation through international frameworks) through the use of renewable energy (solar, wind, biomass, geothermal, hydraulic, the use of the oceans, etc.) and promotion of energy-efficient technologies. With a view to disseminating and promoting the sustainable use of renewable energy, Japan has been engaged actively in the International Renewable Energy Agency (IRENA) and served as President of the Assembly in January 2015. Moreover, in March 2016, Prime Minister Abe expressed his intention to implement the “Fukushima

## Column Adoption of the “Tokyo Declaration on the Energy Charter” ~ Outcome of Japan's diplomacy in the energy sector in 2016 ~

On November 25 and 26, 2016, the Meeting of the Energy Charter Conference was held in Tokyo, chaired by Foreign Minister Kishida. This Meeting brought together the observers and members that are party to the Energy Charter Treaty, which is the only multilateral legal framework that provides for the protection and liberalization of investment in the energy sector. The Meeting, held for the first time in East Asia, offered a space for engaging in discussions about future approaches. It was attended by 32 delegates at the Ministerial level, including the energy ministers of Iran, Georgia, and Uganda, as well as representatives from about 80 countries and international organizations. Lively discussions on energy issues took place during the Meeting.

With respect to the medium to long-term challenges of the energy situation faced by Japan, the importance of stable and continuous investment in the energy sector has been pointed out. On the demand side, energy consumption is expected to continue growing in emerging countries going forward, particularly in Asia. However, the impact of sluggish crude oil prices has contributed to a decline in investment in the energy sector for two consecutive years, and may threaten the stable supply of energy in the future. On the other hand, in response to the heightened interest in climate change issues after the Paris Agreement came into effect in November 2016, it is expected that the investment in the energy sector will contribute to promoting clean energy and energy efficiency. In light of these circumstances, the importance of investment in ensuring energy security was affirmed at this Meeting of the Energy Charter Conference. The Meeting also provided an opportunity for coming up with the future image of the Energy Charter processes that can contribute to global issues including sustainable development and climate change. The discussions were summarized in the outcome document, “Tokyo Declaration on the Energy Charter.”



Ministerial level participants



Scene of the signing ceremony held at the Iikura Guest House of the Ministry of Foreign Affairs

This Meeting of the Energy Charter Conference also welcomed the signing of the International Energy Charter (a political declaration that supports the modernization of the Energy Charter Treaty) by Iran, Iraq, Guatemala, and three regional organizations in Africa, which acquired Observer status to the Energy Charter Conference. In his speech delivered during the signing ceremony,

Foreign Minister Kishida noted that the expansion in contracting parties to the Energy Charter Treaty and the growing universality of the International Energy Charter hold great potential for contributing to stabilizing global energy demand and supply, and strengthening the energy security. Taking the opportunity of this Meeting of the Energy Charter Conference held in Tokyo, the participation of an increasing number of countries in the Energy Charter Treaty is highly anticipated going forward.

In addition to securing a stable supply of energy for Japan, in the aspect that Japan communicated clearly to the world its energy diplomacy stance of contributing to the achievement of the Sustainable Development Goals (SDGs) through the realization of global energy security, the success of this Meeting of the Energy Charter Conference and the Tokyo Declaration on the Energy Charter could be described as the culmination of Japan's diplomacy efforts in the energy sector for 2016, the year Japan assumed the G7 presidency. To secure a stable supply of energy, which is the foundation for robust economic growth, Japan will continue to put effort into energy and resource diplomacy going forward.

Plan for a New Energy Society<sup>22</sup> to promote Fukushima as the center of research into renewable energy. Regarding this plan, MOFA organized a study tour (Fukushima Study Tour) in August of the same year for diplomatic corps including ambassadors from various countries based in Tokyo, and they visited various places including the “Fukushima Renewable Energy Institute.” The tour promoted throughout the world Japan's proactive stance toward the spread and promotion of renewable energy.

## (2) Ensuring Food Security

According to the latest UN report, the world population is estimated to increase to approximately 9.7 billion people by 2050. The Food and Agriculture Organization of the UN (FAO) estimated in 2012 that by 2050, global food production must be about 60 percent higher than that of 2005 - 2007 in order to ensure adequate food for

the increased population. Since Japan relies on imports for a lot of its food, ensuring global food security is directly connected to securing a stable food supply for Japan. While increasing domestic food production, it is necessary to simultaneously promote global food production and contribute to the establishment of stable markets of agricultural products and trade systems.

Regarding starvation, which is a pressing issue in global food security, the target of halving the percentage of people suffering from hunger between 1990 and 2015, was set as one of the Millennium Development Goals (MDGs). This target has almost been achieved in developing regions, with the actual undernourished population decreasing by more than 100 million over the past 10 years, or by more than 200 million when compared to 1990 - 1992 levels. On the other hand, according to the “State of Food Insecurity

<sup>22</sup> Plan based on Prime Minister Abe's initiative to create a model in Fukushima for the realization of a future new energy society, while providing the world with information on this model, and establishing Fukushima as a pioneering location with regard to renewable energy and the future hydrogen society.

in the World 2015” issued by FAO, the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP), about 795 million people remain undernourished around the world. Moreover, although international grain prices, which affect people’s access to food, have remained low compared to the period around 2007 – 2008 when prices spiked, prices remain volatile due to the weather and other factors. In light of such issues in securing a stable supply of food, the international community, including Japan, has a responsibility to contribute to the achievement of the Sustainable Development Goals (SDGs) (Goal2) in the 2030 Agenda for Sustainable Development to alleviate this situation of people in developing countries suffering from food insecurity, and to end hunger by 2030, by vitalizing global partnerships.

### **A Efforts in the International Frameworks Concerning Food Security**

At the G7 Ise-Shima Summit held in May 2016, Japan led the formation of the “G7 Vision for Action on Food Security and Nutrition” as part of the Leaders’ Declaration. This vision laid out specific actions to be taken in cooperation among G7 countries based on the goal to “lift 500 million people in developing countries out of hunger and malnutrition by 2030,” set during the G7 Summit 2015 in Schloss Elmau (in Germany), and the “Broad Food Security and Nutrition Development Approach” developed to achieve this target. The three prioritized areas in this vision for action are (1) empowering women within agriculture and food systems, (2) improving nutrition through a people-centered approach, and (3) ensuring sustainability

and resilience within agriculture and food systems. Moving forward, Japan will promote the G7 initiative by ensuring the implementation of actions. Moreover, the G7 Agriculture Ministers’ Meeting was held in Niigata City, Niigata Prefecture, in April, and discussions were held on policies and initiatives needed to handle new issues on agriculture, with the results being compiled in the G7 Niigata Agriculture Ministers’ Meeting Declaration.

Furthermore, at the Sixth Tokyo International Conference on African Development (TICAD VI: Held in Nairobi Kenya), Japan declared its policy of supporting the boosting of agricultural productivity such as by spreading rice-growing techniques among the Coalition for African Rice Development (CARD) as an initiative to strengthen food security in Africa. In addition, it was announced that the Initiative for Food and Nutrition Security in Africa (IFNA) would be launched as a joint project implemented in cooperation with the New Partnership for Africa’s Development (NEPAD) and other initiatives and organizations in the African region.

Moreover, at the APEC Ministerial Meeting on Food Security held in September in Peru, the Piura Declaration on APEC Food Security was adopted, summarizing the specific initiatives to be implemented to strengthen food security among APEC countries. The ministers agreed to ensure the promotion of initiatives to bolster food security in accordance with the specific conditions within APEC regions.

In addition, at the ASEAN+3 Summit Meeting in September, Prime Minister Abe mentioned that Japan provided rice assistance to the Philippines and Cambodia



## Japan's diplomatic efforts for Food Security

## [Background]

## Japan's situation

- 60% (in terms of calorie supply) or 40% (in terms of production value) of food supply are imported
- Challenges for production increase include decrease in farmland area and aging of farmers



## World's situation

- Increase of the world population
- Changes in diet caused by economic development of emerging countries
- Increase in bioenergy generation
- Climate change and frequent abnormal weather
- Only a few countries have export capacity
- Expanding volatility in food prices; agricultural products made into financial products

## [Diplomatic efforts]

## Enhance global food production

## • Promote investment:

Promotion of responsible agricultural investment through promoting the Principles for Responsible Investment in Agriculture and Food Systems adopted by the Committee on World Food Security (CFS) and supporting research studies by FAO, the World Bank and others; establishment of food value chains by public-private partnership through holding bilateral dialogues and public-private missions.

## • Promoting agricultural/rural development, Research and Development and technology dissemination

Example: Coalition for African Rice Development (CARD), etc.

## • Response to climate change:

Construction of prevention and early warning systems for droughts and other natural disasters

## Form a stable market and trade system of agricultural products

## • Efforts to maintain and strengthen the free trade system and surveillance of market functions:

Ban on export restrictions in principle under the WTO; stricter discipline on export restrictions in economic partnership agreements; monitoring price trends (the Agricultural Market Information System (AMIS), etc.); measures against price volatility, etc.

## Support and safety net for the vulnerable

## • Food aid:

Provision of grains, etc.

## • Nutritional support:

Nutrition guidance, provision of supplements, Nutrition Japan Public-Private Platform (NJPPP), etc.

## • Support for building of social safety net:

provision of means of livelihood to the poorest

\*Toward the realization of the G7 Elmau Summit (held in Germany, 2015) commitment to raising 500 million people out of hunger and malnutrition by 2030, the G7 Vision for Action on Food Security and Nutrition was formulated at the G7 Ise-Shima Summit.

## Constructing a structure for emergencies and food crisis

## • International framework for cooperation:

ASEAN + 3 Emergency Rice Reserve (APTERR), G20 Rapid Response Forum (RRF) (\*There are Emergency Food Security Guidelines for domestic system development)

Note: FAO: Food and Agriculture Organization

based on the ASEAN+3 Emergency Rice Reserve (APTERR Agreement), which entered into force in 2012, and that Japan intended to further expand public-private partnerships to establish food value chains, which are promoted by Japan. He also asked for relaxing and lifting the import restrictions that some countries have placed on Japanese food products regarding the nuclear accident.

## B Japan's Efforts to Promote "Responsible Agricultural Investment"

While promoting international agricultural investments aimed at increasing global food production, large-scale "land grabbing" in developing countries has been a concern. In light of this issue, Japan advocated the concept of "Responsible Agricultural Investment" at the G8 L'Aquila Summit held in Italy in 2009, so that investments would be promoted in a manner to create a triple win situation for recipient countries,

local communities, including smallholders, and investors. In April 2010, four international organizations (FAO, IFAD, the United Nations Conference on Trade and Development (UNCTAD), and the World Bank (WB)) adopted the “Principles for Responsible Agricultural Investment (PRAI). Building on this, the “Principles for Responsible Investment in Agriculture and Food Systems” was adopted at the general assembly of the Committee on World Food Security (CFS) in October 2014. At the G7 Ise-Shima Summit in 2016, these principles were also incorporated into the “G7 Vision for Action on Food Security and Nutrition,” mentioned above, forming the basis for actions to be taken by G7 countries. Japan will continue to lead the execution of these principles as the main issues in realizing worldwide food security.

### (3) Fisheries (Including Tuna and Whaling Issues)

Japan is one of the major fishing and consuming countries of marine products in the world and plays an active role in the proper conservation, management and sustainable use of living marine resources.

With respect to tuna, Japan, as one of the largest tuna-consuming countries, has joined all Regional Fisheries Management Organizations (RFMOs) for tuna, including the Western and Central Pacific Fisheries Commission (WCPFC), whose convention area includes waters around Japan, and Japan leads discussions on strengthening measures for the conservation and management of the resources. In 2016, International Commission for the Conservation of Atlantic Tunas (ICCAT) conducted the second performance review by independent reviewers, which highly

appreciated the long-term efforts by the ICCAT and its members, while the increase of the Total Allowable Catch (TAC) for Atlantic Bluefin tuna for three consecutive years was confirmed. Moreover, South Africa became a new member of the Commission for the Conservation of Southern Bluefin Tuna (CCSBT). At the annual meeting of the CCSBT, a resolution was adopted to prohibit large-scale high seas driftnet fishing, in addition to agreeing to set the TAC increase to the current 3,000 tons for three years after 2018.

Upon Japan's proposal, the North Pacific Fisheries Commission (NPFCC), covering high seas fishing for Pacific saury, mackerel species, splendid alfonsino, etc., adopted conservation and management measures to limit the number of ships with permits to fish for chub mackerel, and implement procedures to prepare a list of illegal, unreported, and unregulated (IUU) fishing vessels.

With regard to the Japanese eel (*Anguilla japonica*), which was listed as an endangered species in 2014 by the International Union for Conservation of Nature and Natural Resources (IUCN), and was also discussed at the 17th meeting of the Conference of the Parties (CoP17) to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), Japan continues to hold consultations within the East Asia region in order to establish an international framework on conservation and management of the species.

Moreover, as IUU fishing, carried out by ships operating in a disorderly manner, becomes a major threat to sustainable fishing, Japan takes the posture to proactively work against the IUU fishing, including stressing the importance of implementing

measures aimed at preventing IUU fishing through the Foreign Ministers' Statement on Maritime Security issued at the G7 Hiroshima Foreign Ministers' Meeting held in April.

Regarding the whaling issue, under the basic policy of pursuing the resumption of commercial whaling by conducting scientific whale research programs, based upon international law and scientific evidence in order to gather scientific data that is necessary for the proper management of whale resources, Japan developed and conducted the "New Scientific Whale Research Program in the Antarctic Ocean (NEWREP-A)" from December 2015 to March 2016, which was finalized taking into account the Judgment of the International Court of Justice (ICJ), in March 2014, and issues pointed out by the Scientific Committee of the International Whaling Commission (IWC). Moreover, regarding the western North Pacific, a proposal for the New Scientific Whale Research Program in the Western North Pacific (NEWREP-NP) was submitted to the Scientific Committee of the IWC in November 2016. The program will be finalized through discussions held by the Scientific Committee. Anti-whaling countries occupy the majority at the IWC, and the international situation regarding whaling still remains difficult, but based on international law and scientific evidence, Japan is making persistent efforts to deepen understanding among the international community.

#### (4) Foreign Direct Investment in Japan

The target to double foreign companies' direct investment in Japan to 35 trillion yen (24.4 trillion yen as of the end of 2015) by 2020, addressed in the 2013 "Japan Revitalization Strategy," was reaffirmed in the "Growth Strategy." With the "Council for Promotion of Foreign Direct Investment in Japan," which has been held since 2014 to spearhead the initiative to promote activities for discovering and attracting investments, while gathering opinions from foreign company managers, Japan continues to make further progress in implementing additional measures such as regulatory and institutional reforms contributing to the improvement of the investment environment in Japan, responding to the needs of foreign companies, and supporting measures to expand investments effectively.

Based on the "Five Promises for Attracting Foreign Businesses to Japan"<sup>23</sup> adopted by the 2nd Council for Promotion of Foreign Direct Investment in Japan in March 2015, foreign companies have made use of one of the five promises, the "Investment Advisor Assignment System"<sup>24</sup>, since April 2016, to hold meetings with the Assigned State Minister. Moreover, at the 4th Council for Promotion of Foreign Direct Investment in Japan held in May 2016, a policy package for promoting foreign direct investment in Japan with the aim of making Japan a global hub for trade and investment was laid down, and reflected in the "Basic Policy on Economic and Fiscal Management and Reform 2016" and the "Growth Strategy."

<sup>23</sup> (1) Bolstering of the multilingualization of the service in the retail industry, restaurants, medical institutions, public transportation, etc., (2) Promoting the preparation of free public wireless LAN in cities and simplifying procedures for use, (3) creating an environment in which all regional airports are able to receive business jets with short advance notice, (4) support for international students in looking for employment in Japan, and (5) the implementation of the "Investment Advisor Assignment System."

<sup>24</sup> A system in which a State Minister will be assigned as an advisor to each foreign company that has made important investments in Japan. A State Minister will be assigned according to the company's field of specialty, and the State Minister for Foreign Affairs will attend all meetings.

MOFA has been implementing the measures adopted by the Council for Promotion of Foreign Direct Investment in Japan, as well as initiatives making use of diplomatic resources through diplomatic missions overseas. Efforts are being made to strengthen the system of gathering information on identifying cases of foreign direct investment in Japan, and “contact points for Direct Investment towards Japan” were established at 126 diplomatic missions overseas in April 2016 to create a system for supporting such investments. As points of contact for communication and coordination, they have been working in collaboration with the Japan External Trade Organization (JETRO). They are also engaging in related support activities, and are carrying out surveys of case studies in various countries, and surveys of requests for improvements to Japanese regulations and systems, as well as calling for investments in Japan by making maximum use of networks of contacts at diplomatic missions overseas, holding events for promoting foreign direct investment in Japan, and implementing other proactive initiatives. In July 2016, JETRO held the first Invest Japan Seminar (with the support of the Embassy of Japan in Viet Nam) in Viet Nam. Other than that, Japan is engaging in various strategic initiatives with the aim of promoting foreign direct investment in Japan, from within and outside Japan, through “top-level sales” by government officials and associated organizations, such as the holding of “Investment Japan Seminars” by Prime Minister Abe (hosted by JETRO) in September 2016, during his visit to the U.S., and an “INVEST JAPAN Forum 2016” (hosted jointly by associated ministries, agencies and JETRO) held in

October 2016, in Tokyo.

## Section 4

# Efforts to Promote Understanding and Trust in Japan

### Overview

#### (Strategic Communication in 2016)

In 2016, in light of the pressing issues of growing uncertainty in the global economy, and challenges to the international order through unilateral actions to try and change the status quo among others, Japan (as G7 presidency) expressed the importance of freedom, democracy, basic human rights, the rule of law and other fundamental values, as well as its intention to continue contributing greatly to the peace and development of the Asia-Pacific region and the world. Japan also sent a message to the world of realizing a world free of nuclear weapons during the G7 Hiroshima Foreign Ministers' Meeting. Moreover, at TICAD VI, which was held in Africa for the first time, Japan expressed its intention to implement public-private initiatives to realize peace and stability in Africa.

#### (Initiatives in Strategic Communications)

In FY2015, in order to implement strategic communications based on the three-pillar approach of (1) working to convey Japan's views, (2) sharing Japan's rich and varied attractiveness, and (3) cultivating understanding and support for Japan while

strengthening the system of the diplomatic missions overseas, the Ministry of Foreign Affairs (MOFA) allocated an additional 50 billion yen for the FY2014 supplementary budget and the FY2015 initial budget to strengthen strategic communication. The same measures were also implemented in FY2016, and initiatives in communications have continued being bolstered.

To convey Japan's views, in addition to direct communication from the Prime Minister and the Foreign Minister at the G7 Ise-Shima Summit and the G7 Hiroshima Foreign Ministers' Meeting, and proactive communication from the heads of the diplomatic missions overseas, MOFA promptly provided information to the media, offered assistance for press coverage and actively engaged in communicating with the public through the invitation of experts and media-related persons, and in collaboration with think tanks.

To share Japan's rich and varied attractiveness MOFA has been making preparations for creating "Japan Houses" to promote Japan's appeal by reflecting local needs through an "All-Japan" approach in London (UK), Los Angeles (U.S.), and Sao Paulo (Brazil). Also, diplomatic missions around the world have implemented

cultural projects, while the Japan Foundation has taken initiatives such as the “WA Project”. Among these cultural projects was the 10th Japan International MANGA Award. Moreover, initiatives were implemented in cooperation with people in Japan and overseas to preserve tangible and intangible cultural heritage throughout the world, and promote inscription of Japan's cultural heritage on World Heritage List and the Representative List of the Intangible Cultural Heritage of Humanity.

To cultivate understanding and support for Japan, MOFA drastically expanded facilities for Japanese-language education, promoted the exchange of young people with Asia, the U.S., Europe, and Latin America, held a U.S.-Japan Conference on Cultural and Educational Interchange, and enhanced Japanese studies at universities in major countries including the U.S. in an effort to promote personal and intellectual exchanges and spread the Japanese language. Moreover, to ensure the success of the 2020 Tokyo Olympic and Paralympic Games, “Sport for Tomorrow” was launched as a sports-based international contribution project.

To continue implementing these initiatives strategically and effectively, MOFA prepared a FY2017 budget for strategic communication maintaining the size of the previous fiscal year (FY2016). Effectively using this budget, MOFA will continue to enhance Japan's strategic communication by strongly communicating Japan's views, while cultivating understanding and support for Japan through sharing its rich and varied appeal, based on the three-pillar approach described above.

## 1 Strategic Communications

### (1) Overview

The Government of Japan has actively communicated Japan's stance and way of thinking on the occasions of daily press conferences, interviews, contributions to the media, and speeches at official visits to foreign countries and international conferences by the Prime Minister, the Foreign Minister, and government officials. The diplomatic missions overseas have actively communicated to the government of the countries appointed, their citizens, and the media on Japan's fundamental stance or views on a range of issues including the recognition of history or maintenance of territorial integrity. When media reports include factual errors, the diplomatic missions overseas, especially ambassadors or consulate general, explain by sending rebuttal pieces based on facts. Japan also actively engages in communications with the public via social media and websites, in addition to creating publicity materials including policy related videos and so forth.

In order to make Japan's fundamental stance on policy issues understood, it is also important to enhance coordinated efforts among the Ministry, experts, and think tanks. Based on this recognition, MOFA has invited influential experts and media personnel from around the world, providing them with opportunities to exchange views with government officials and others, and to visit various places around Japan. Furthermore, Japan has dispatched Japanese experts abroad while bolstering support for holding Japan-related seminars.

Moreover, in order to attract a broader audience, including those who did not

have much interest in Japan, the following actions are important: (1) providing information on the diverse attractiveness of Japan through “All-Japan” efforts of the government, private sectors and local governments; (2) promoting outreach that reflects the needs of local communities, utilizing the expertise of experts from both inside and outside Japan; and (3) providing a “one-stop-service” where all information related to Japan can be obtained. With this in mind, communication hubs are to be established in London (UK), Los Angeles (U.S.), and Sao Paulo (Brazil) to implement aforementioned actions.

## (2) Reports by Foreign Media on Japan and Communications through Foreign Media

In 2016, when Japan assumed presidency of the G7 summit and co-hosted TICAD VI, the foreign media paid much attention to Japan’s security, policies/diplomacy, economics and society, and its contributions to the world. Moreover, active visits by Prime Minister Abe and Foreign Minister Kishida to foreign countries in line with Japan’s “diplomacy that takes a panoramic perspective of the world map” captured the further attention of the local and international media.

Amidst increasing interest in Japan, MOFA actively provides timely information and offers assistance with press coverage to foreign media in order to gain understanding and support from the international community about Japan’s positions and its activities. MOFA makes efforts to achieve strategic and effective communications by providing information to relevant media outlets at appropriate times.

In terms of communications through

foreign media, MOFA regularly conducts press conferences, such as those held by Foreign Minister Kishida, and provides information to correspondents in Japan via press releases and other materials. MOFA arranges interviews, press conferences, and op-ed article contributions to foreign media during overseas visits by Prime Minister Abe and Foreign Minister Kishida, and their participation in international conferences such as ASEAN, APEC and the United Nations General Assembly. In 2016, Prime Minister Abe gave a total of eight interviews and article contributions, and Foreign Minister Kishida gave 12 interviews and article contributions. Prime Minister Abe also conducted four international press conferences during his visits overseas.

On the occasion of the G7 Foreign Ministers’ Meeting in Hiroshima held in April 2016, Foreign Minister Kishida contributed articles to CNN (U.S.), Le Figaro (France), and other major media outlets in G7 countries to explain Japan’s endeavors to realize a world free of nuclear weapons. Moreover, during the G7 Ise-Shima Summit, Prime Minister Abe contributed an article to The Wall Street Journal (U.S.). Prime Minister Abe also held a press conference as the chair of the summit to convey to the world the results of discussions on the G7’s tackling of the world economy, which was the major theme at the summit, as well as on women’s empowerment, progress in international health, and stimulation of investment in quality infrastructure, which are all fundamental for sustainable growth. Prime Minister Abe also contributed an article to CNN during the UN General Assembly in September 2016 to outline Japan’s efforts to date in international cooperation through the UN

and emphasized the need for UN reform.

In addition, MOFA invited 101 journalists and eight TV teams from abroad, with a focus on media outlets with no correspondents in Japan, to provide opportunities for them to enhance their understanding of Japan's priority policies and positions. For example, as part of communications activities prior to TICAD VI, 10 journalists from 10 African countries were invited to Japan before the conference and were given the opportunity to report on subjects such as Japan's assistance to Africa. During TICAD VI, held in Nairobi, Kenya, a press tour was held for 14 reporters from 14 African countries, resulting in coverage in numerous media outlets in various African countries. Moreover, 21 reporters from 19 countries were invited throughout the year to Hiroshima where the G7 Foreign Ministers' Meeting was held, in an effort to communicate Japan's activities in nuclear disarmament and non-proliferation, and promote other appealing aspects of Japan, particularly those of Japan's local regions.

In some cases where reports on Japan by the foreign media included factual errors, MOFA delivered explanations to the media or sent letters to the editor in order to promote reports based on accurate facts and understanding.

## 2 Cultural Diplomacy

### (1) Overview

MOFA and the Japan Foundation (JF) operate various projects to create positive images of Japan in foreign countries, boost the value of brands throughout Japan while encouraging greater understanding of Japan, and foster pro-Japanese individuals and groups for the future. For example,

the "cultural projects of the diplomatic missions overseas" introduce a wide range of Japanese cultures from traditional to contemporary, animation, manga, fashion, architecture, and design. MOFA is implementing the "Japan Brand Program" to promote Japan's various charms from craftsmanship that aims to fuse tradition with the contemporary, to state-of-the-art technologies, through lectures and workshops held by specialists dispatched from Japan. This program is designed to pave the way for international exchanges. Currently, "All-Japan" efforts are also being made to promote the charms of the countryside to boost the number of inbound foreigners through various overseas PR projects.

In addition, in order to promote support for Japan and better understanding of Japan through Japan studies, MOFA implements the following activities: provision of information on studying in Japan through Japan's diplomatic missions overseas; building alumni networks of the foreign nationals who have studied in Japan; cooperation with the JET Programme which invites young people from abroad to the local governments in Japan, exchange programs for youth and adults from Asia, North America and Europe; sending visiting professors to universities and research institutions overseas; and grant program for research activities.

Promoting Japanese language education overseas helps foster future leaders who will build a bridge between Japan and overseas, deepen understanding towards Japan, and lay a foundation for friendship with other countries. Therefore, MOFA engages in sending Japanese language specialists overseas, providing training for foreign



Japanese language teachers in Japan, and developing Japanese language teaching materials through the Japan Foundation.

It is also important to enhance the presence of Japan in the area of sport for the successful delivery of the Olympic and Paralympic Games Tokyo 2020. As a part of the “Sport for Tomorrow (SFT)” program, MOFA runs various sports exchanges and sports promotion support projects, dispatches JICA volunteers and sports instructors through the Japan Foundation, and provides sports equipment and builds facilities by making use of the Cultural Grant Assistance in many countries.

In addition, by utilizing the budget allocated to strategic communications, MOFA intends to continue to strengthen its support for Japan studies, expand the scope of people-to-people exchanges and sports exchange programs, and promote Japanese language education.

In cooperation with the United Nations Educational, Scientific and Cultural Organization (UNESCO), Japan has made earnest efforts to preserve the world’s tangible and intangible cultural heritage. Moreover, Japan is actively taking part in promoting the international framework for safeguarding heritage through the World Heritage Convention, the Convention for the Safeguarding of the Intangible Cultural Heritage, etc. (see (7) “Cooperation with the United Nations Educational, Scientific and Cultural Organization (UNESCO)” for details).

## (2) Culture Programs

It is important for Japan’s diplomatic policies to be smoothly implemented in the international community to boost understanding towards Japan among

foreign nationals who form the foundation of public opinion and policy making, as well as to make Japan’s image even more positive. With this importance in mind, MOFA engages in promoting the diverse attractiveness of Japan through diplomatic missions overseas and the Japan Foundation. As part of diplomatic activities to promote a better understanding of Japan and to cultivate pro-Japanese groups, the diplomatic missions overseas organize comprehensive cultural activities within their covering areas. These activities include the screening of movies, music performances, martial arts demonstrations, exhibitions of pottery, traditional toys, origami creations and ikebana as well as planning and organizing of Japanese speech contests. Moreover, Japanese pop culture such as anime and manga, as well as Japan’s food culture are being actively promoted in recent years.

Furthermore, MOFA conducts large-scale and comprehensive programs in commemorative years celebrating diplomatic events in cooperation with government and private organizations through mutual visits of dignitaries, various conferences, and public relations/cultural projects, aiming for effective promotion of the understanding about Japan. For example, a piece from the Noh theater was performed in 2016 to commemorate 150 years of diplomatic relations between Japan and Italy.

In collaboration with MOFA and the diplomatic missions overseas, the Japan Foundation runs interactive arts and cultural exchange projects to promote Japanese culture and arts in a variety of forms throughout the world. The Foundation also promotes and provides



Japanese tea ceremony lecture and demonstration (November, U.S.).



Japan pop culture festival (August, Mongolia).



Noh performance (Program: Tsuchigumo) (September, Italy).



Super Taiko Concert at TICAD VI (August, Kenya).



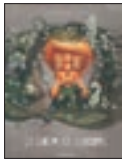

support for Japanese language education and research on Japan. In celebration of TICAD VI, a traditional Japanese Taiko drum, Tsugaru shamisen and shakuhachi music performance was put on in Nairobi, Kenya, in August, attracting a total of approximately 750 people.

Furthermore, the Japan Foundation Asia Center is steadily implementing the “WA Project: Toward Interactive Asia through Fusion and Harmony” announced by Prime Minister Abe in December 2013, with main pillars of support for Japanese language education and interactive arts and cultural exchange projects. Through the “NIHONGO (Japanese language) Partners” program, which is the core project to support Japanese language education, 519 teaching assistants in total were dispatched to secondary education institutions in 10 countries in Southeast Asia, and implemented the exchange program through the introduction of Japanese culture as well as Japanese language education by FY2016. As a result, many school officials who received the “NIHONGO Partners” highly evaluated the program, saying its activities contributed to increased motivation for students to learn.

As part of the interactive arts and cultural exchange program, the Japan Foundation Asia Center implemented “Time of Others,” which introduced works by about 20 artists, mainly young ones, in Asia and Oceania, and “Dance Dance Asia,” which aimed to connect Asian countries through street dances. The Japan Foundation also introduced Asian movies to Japan in collaboration with the Tokyo International Film Festival.

The Japan International MANGA Award was launched by MOFA in 2007 with the

Winners of the 10th Japan International MANGA Award

Gold Award	 <p><b>Title of Work:</b> The Master of Arms  <b>Artist:</b> Joël Parnotte (France)  <b>Story:</b> Xavier Dorison (France)</p>	Silver Award	 <p><b>Title of Work:</b> scavengers  <b>Artist:</b> HAN Zuzheng (China)</p>
Silver Award	 <p><b>Title of Work:</b> THE HEART OF DARKNESS  <b>Artist:</b> Laura Iorio &amp; Roberto Ricci (Italy)  <b>Story:</b> Marco Cosimo D'Amico &amp; Laura Iorio (Italy)</p>	Silver Award	 <p><b>Title of Work:</b> Gateway to Underworld  <b>Artist:</b> Can Tieu Hy (Vietnam)</p>



Pre-departure training for NIHONGO Partners dispatched to Thailand, Myanmar, and Singapore (April, The Japan Foundation Japanese-Language Institute). (Photo: The Japan Foundation)



Dance groups from Japan and Southeast Asia performing in Tokyo as part of "Dance Dance Asia" (October, Tokyo).

aim of rewarding manga creators who contributed to the spread of manga culture overseas. The 10th International MANGA Award of 2016 received 296 entries from 55 countries and regions, and the Gold Award went to the work of a French applicant. Moreover, applications were received for the first time from Estonia, Kuwait, Democratic Republic of the Congo, and Panama, making for a record number of countries and regions from which applications were received.

**(3) People-to-People Exchange and Exchange in the Area of Education**

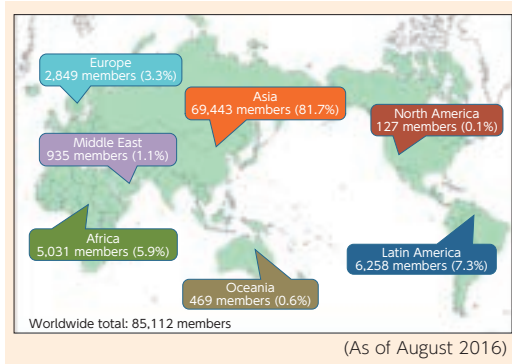
MOFA carries out a number of invitation projects to build personal connections and promote understanding of Japan by

inviting foreign nationals who have a great influence on shaping public opinion and policy making process, and who are expected to play a leading role in various fields. Also, in the area of education and sports, MOFA carries out various activities to promote exchanges among a wide range of people. These projects not only promote mutual understanding and friendships but also enhance Japan's presence in the international community, which holds great significance for benefitting the national interest of Japan.

**A Exchange with Foreign Students**

MOFA actively introduces the attractiveness of studying in Japan to foreign students and opportunities to study in Japan

### Number of International Students' Alumni Associations Members by Region



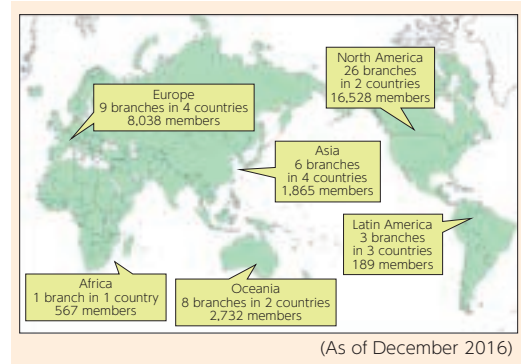
ASEAN Festival (organized by ASJA International) (September 11, National Olympics Memorial Youth Center, Tokyo Photo: ASJA International)

through diplomatic missions overseas. It also implements application and selection procedures to accept competent students from around the world as the Japanese Government (MEXT) Scholarship students. Furthermore, it is making efforts to maintain relations with former foreign students who have returned to their home countries through Japan Alumni Associations and to foster pro-Japanese individuals and groups.

### B JET Programme (The Japan Exchange and Teaching Programme)

The JET Programme was launched in 1987 to improve foreign language education and promote international exchanges in local areas. In FY2016, a total of 4,952 people, including 1,946 new participants from 40 different countries, took part in the program and were dispatched to all over Japan. This

### Number of Branches of JET Alumni Association and Their Members



JET Programme participants departing from the Consulate-General of Japan in Detroit (U.S.) (July 29, Detroit, U.S.).

program is administered by local authorities, in cooperation with the Ministry of Internal Affairs and Communications (MIC), MOFA, the Ministry of Education, Culture, Sports, Science and Technology (MEXT), and the Council of Local Authorities for International Relations (CLAIR). They invite young foreign nationals to Japan and appoint them to posts in local governments and schools. MOFA is responsible for the application and selection process, pre-departure orientation, and support for the activities of the JET Alumni Association (JETAA has about 29,000 members). JETAA engages in activities to introduce Japan in various countries, and many former JET participants engage actively in various fields as pro-Japanese in different parts of the world. Former JET participants are valuable human/diplomatic assets for

Japan. In November 2016, a commemorative ceremony was held in Tokyo to mark the 30th anniversary of the JET Programme.

### C Sport Exchange

Sports enable communication beyond languages and can be an effective tool for promoting friendly relations and understanding of Japan. While Japan draws more attention in the world as the host country of the Olympic and Paralympic Games in Tokyo 2020, the Government of Japan has been implementing the “Sport for Tomorrow (SFT)” program as an international cooperation initiative through sports since January 2014. This program runs various sports exchanges, promotional support, and human development projects in different countries with the aim of spreading the value of sports to over 10 million people in more than 100 countries by 2020. Starting in FY2015, MOFA has been implementing “Projects for Sports Diplomacy Enhancement” to dispatch and invite athletes and instructors, provide equipment, hold receptions at diplomatic missions overseas, and advocate the importance of sports. It also contributes to developing bilateral relations through implementing the programs more promptly and effectively in response to requests



Japanese badminton instructors dispatched to Brunei (October, Brunei).

from the foreign governments and sports associations. These SFT projects have enhanced the presence of those engaged in sports in Japan in the international sports community.

## (4) Exchange in the Intellectual Realm

### A Japanese Studies

MOFA comprehensively supports a range of overseas research activities related to Japan’s politics, economics, society and culture. In FY2016, MOFA provided various forms of support through the Japan Foundation. These included sending visiting scholars, enhancing the collection of books on Japan and providing research grants to 56 institutions of Japanese studies in 26 countries and regions, such as universities and research institutions which are considered hubs for Japanese studies. Fellowship status was also granted to 175 researchers in Japanese studies from 48 countries and regions, including those who were granted in the previous year. This helped the researchers conduct research and study activities in Japan (including those scheduled in the 4th quarter of FY2016). MOFA also helps academic societies to promote network building among researchers and research institutions on Japan in different countries and regions.

### B Intellectual Exchanges

MOFA implements intellectual exchange projects, putting emphasis on cooperative work and exchange with other countries. Specifically, MOFA implemented seminars and symposia on common international agenda, and programs to deepen the understanding of modern Japan at major universities overseas

through the Japan Foundation. MOFA plans and supports exchange programs to strengthen relationships and deepen mutual understanding through holding conventions in various fields and at various levels in cooperation with NPOs and other institutions.

### **C U.S.-Japan Conference on Cultural and Educational Interchange (CULCON)**

CULCON is a public-private binational advisory panel comprised of experts from Japan and the U.S. to discuss issues on educational and cultural exchanges between both countries. The 27th Plenary Session was held in Tokyo in June, and the joint declaration recognized the urgent need for the fostering of a next-generation leader to oversee future Japan-U.S. relations. Based on this, it was decided that initiatives would be implemented with the aim of achieving the goal of “doubling two-way student exchanges by the year 2020,” which was set by CULCON and mentioned in the Joint Statement at the Japan-U.S. Summit Meeting in 2014. It was also decided that support would be strengthened for Japanese language education in the U.S. and that the program would be bolstered to foster experts in Japanese art in the U.S. Moreover, it was agreed that a new task force would be set up to oversee intellectual and people-to-people exchanges with a focus on fostering next-generation leaders who will be responsible for the future of U.S.-Japan relations.

### **D Cooperation with the United Nations University (UNU)**

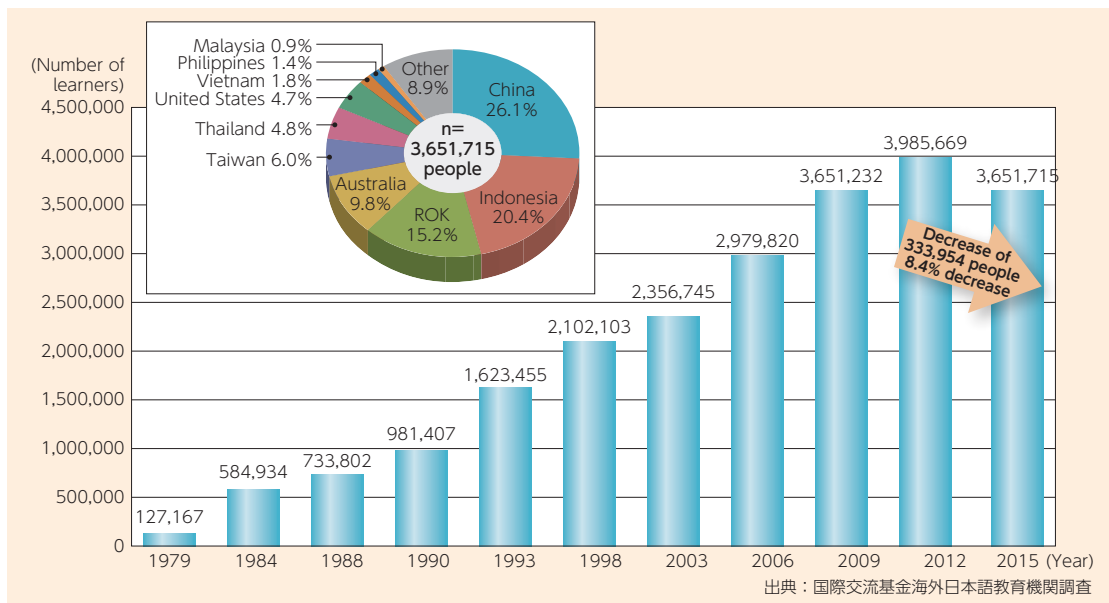
The Government of Japan recognized the importance of the establishment of UNU, which contributes to the international

community through study and research on global issues and human resources development. Japan invited UNU to set up its headquarters in Japan (Tokyo) and has provided various cooperation and support for 40 years. UNU, in collaboration with Japanese universities and research institutions, is engaged in international issues such as peace, development, and the environment on which Japan focuses and contributes to the dissemination of the policies of the Government of Japan. UNU established Master's and Doctoral Programmes in 2010 and 2012, and has made efforts to improve the quality of its global human resources development programs.

### **(5) Promotion of Japanese Language Education**

The interest in the Japanese language has been increasing among people, especially the youth overseas, as Japanese companies have been expanding their operations overseas, and Japanese pop culture is prevailing worldwide along with the globalization of Japanese economic structure. Further promotion of the Japanese language overseas leads to creating a favorable international environment for Japanese people and companies. Currently, about 3.65 million people in 137 countries and regions overseas are learning Japanese language (according to the preliminary figures by the Japan Foundation Survey on Japanese-Language Education Abroad 2015). The number of learners had been steadily increasing since the first survey in 1979, but it decreased for the first time in the present survey. This was due to the fact that the number of learners of Japanese in these three countries has been greatly

## Percentage and number of Japanese language learners by country/region according to FY2015 survey



reduced, especially as a result of educational reforms in ROK, Indonesia, and China where Japanese learners are concentrated. On the other hand, in other countries and regions, the number of Japanese learners has increased by around 170,000. In 2016, approximately 870,000 examinees (the number of applicants, including tests conducted in Japan) took the Japanese-Language Proficiency Test offered by the Japan Foundation in 273 cities of 74 countries and regions worldwide.

MOFA engages in accommodating various needs of Japanese-language educational institutions overseas through the Japan Foundation (JF). Specifically, through dispatching of Japanese language specialists overseas, providing training in Japan for Japanese teachers and foreign diplomats overseas, developing teaching materials, and promoting the “JF Japanese Language Education Standard.” Moreover, the JF aims to further increase the number of Japanese language learners overseas

through further utilization of audio-visual teaching materials, such as learning support websites which use animation or manga, and through directly managed Japanese language courses.

The JF has also been making efforts to create and expand the “JF Nihongo Network (commonly known as Sakura Network)” since FY2007, mainly at JF overseas offices and universities where Japanese language specialists have been dispatched in order to develop programs for Japanese language education responding to the various needs of each country/region, and to enhance partnerships among relevant institutions. Currently, 287 organizations including universities and Japanese language teachers’ associations, which play central roles in implementing Japanese language education, are registered as new network members, and the JF strives to enhance assistance to them.

### (6) Cultural Grant Assistance

The Government of Japan provides Cultural Grant Assistance, as part of Official Development Assistance (ODA) to promote culture and higher education in developing countries thereby enhancing mutual understanding and friendly relations between Japan and such countries. The activities implemented in 2016 include seven General Cultural Grant Assistance Projects (total of around 1.69 billion yen) and 31 Grant Assistance for Cultural Grassroots Projects (total of around 260 million yen). In 2016, General Cultural Grant Assistance put emphasis on the preservation of the cultural heritage and the



Grant Assistance for Cultural Grassroots Project State Minister for Foreign Affairs Kishi attending the handover ceremony of "The Project for Rehabilitation of Sports Center in Mostar for Community Reconciliation through Sports Activities" (October 9, Mostar, Bosnia and Herzegovina).



Class held at the Multimedia Language Laboratory of Dharma Persada University in Indonesia with equipment provided through a Grant Assistance for Cultural Grassroots Projects (July, Indonesia).

promotion of broadcasting programs, and Grant Assistance for Cultural Grassroots Projects put emphasis on the fields of sports and the Japanese language.

### (7) Cooperation through United Nations Educational, Scientific and Cultural Organization (UNESCO)

Japan is actively involved in various projects of UNESCO in the fields of education, science, and culture. UNESCO is the international organization of which post-war Japan first became a Member State in 1951. Since then, UNESCO has been cooperating with Japan in support of education, science, and culture, etc., in developing countries.

In the field of culture, Japan offers active cooperation for the prevention and promotion of tangible and intangible cultural heritages of the world and support in the field of human resources development. At the same time, Japan actively participates in the international framework for safeguarding cultural heritage. As part of such activities, Japan established two Japanese Funds-in-Trust at UNESCO, aiming for the protection of tangible and intangible cultural heritages. Through the UNESCO Japanese Funds-in-Trust for the Preservation of World Cultural Heritage Projects, and with Japanese experts playing a leading role, Japan supports many projects for conservation and restoration of sites, such as Angkor in Cambodia, Kasubi Tombs in Uganda, and the restoration of cultural heritage in Nepal after the earthquake, while contributing to the human resources development so that local people can protect their cultural heritage by themselves in the future. In particular, Japan has provided support



continuously for the preservation and restoration work of ancient ruins of Angkor in Cambodia, which started in 1994. Through the UNESCO Japanese Funds-in-Trust for the Safeguarding of the Intangible Cultural Heritage, the following projects have been implemented: the handing down of traditional performing arts such as music and dance, and traditional crafts in developing countries to the next generation; development of domestic institutions and capacity building of relevant parties to enhance the ability of countries to protect intangible cultural heritage by themselves.

In the field of education, Japan has set up the Japanese Funds-in-Trust for the Capacity-Building of Human Resources, which aims to foster human resources in developing countries, and provide support for human resources development, mainly in the area of education, through promoting, e.g., “Education for All (EFA)” led by UNESCO. As for the Education for Sustainable Development (ESD), Japan provided various support for the Aichi Nagoya Declaration adopted at the UNESCO World Conference on Education for Sustainable Development (ESD), co-hosted by UNESCO in Okayama City, Okayama Prefecture, and Nagoya City, Aichi Prefecture in November 2014. Moreover, in September 2016, winners of the UNESCO-Japan Prize on Education for Sustainable Development were announced and the “Okayama ESD Project” nominated to UNESCO by Japan was awarded the prize. The ceremony was held at the 200th session of the UNESCO Executive Board in October 2016.

Gender equality is another field that UNESCO is investing effort into. Projects were implemented in Niger with the aim

of improving the environment for women in the education system (completed in May 2016), as well as in Iraq to support the education of women refugees within the country and to ensure the sustained enrollment of girls into schools and improve the effectiveness of education in Ethiopia.

UNESCO is promoting organizational reform, decentralization and program reform, and Japan has continued providing support to UNESCO in these reform initiatives.

### **A** World Heritage Convention

The World Heritage Convention aims to protect cultural heritage and natural heritages internationally as heritages to of all mankind. Japan became a party to the Convention in 1992 (as of December 2016, the number of parties to the Convention is 193). The sites listed on the “World Heritage List” are so-called “World Heritage” sites. They are classified into “Cultural Heritage” (monuments and remains), “Natural Heritage” (natural areas) and “Mixed Heritage” (having both cultural and natural elements). As of December 2016, a total of 1,052 World Heritage sites are inscribed on the World Heritage List. At the 40th session of the World Heritage Committee held in Istanbul, Turkey in 2016, it was decided to inscribe the Architectural Work of Le Corbusier, an Outstanding Contribution to the Modern Movement (which includes The National Museum of Western Art in Japan), upon nomination by Japan, France, and five other countries. This has raised the number of World Heritage in Japan to 20: 16 cultural heritage and four natural heritage sites.



The Architectural Work of Le Corbusier, an Outstanding Contribution to the Modern Movement. (Photo: National Museum of Western Art of Japan)

### **B** Convention for the Safeguarding of the Intangible Cultural Heritage

The Convention for the Safeguarding of the Intangible Cultural Heritage aims to develop an international system for safeguarding intangible cultural heritage, such as traditional performing arts and traditional craftsmanship techniques (as of December 2016, the number of parties to the convention is 172). Japan, which has a wealth of experience in safeguarding domestic intangible cultural properties, has provided active contributions by playing a leading role in developing the Convention, laying down the main sections of the operational directives for the implementation of the Convention. A total of 21 elements of intangible cultural heritage in Japan are inscribed on the Representative List of the Intangible Cultural Heritage of Humanity established in accordance with the Convention. It includes: Nogaku Theatre, Ningyo Johruri Bunraku Puppet Theatre and Kabuki Theatre, which have been proclaimed by UNESCO as “Masterpieces of the Oral and Intangible Heritage of Humanity.” As of November 2016, Yama, Hoko, Yatai, float festivals in Japan was submitted by Japan

and was inscribed on the list; this is an extension of Yamahoko, the float ceremony of the Kyoto Gion festival and Hitachi Furiyumono, which were inscribed on the list in 2009, incorporating similar festivals existing all over Japan.

### **C** UNESCO Memory of the World Programme

The UNESCO Memory of the World Programme was established in 1992 to preserve and promote valuable historical materials. As of December 2016, 348 items have been inscribed. After applications opened for public for nominations by the Japanese National Commission for UNESCO in December, Kozuke Sanpi (the Three Cherished Stelae of Ancient Kozuke) and the Sugihara List were submitted as nomination proposals from Japan. A decision on whether to inscribe them is expected to be made by around the summer of 2017.

Moreover, as seen in the submission and inscription of the documents related to the Nanjing Massacre by organizations in China in October 2015, unilateral submission and inscription based only on the assertions of one country, despite there being clear discrepancies between the views of the countries involved, are in violation of the founding principle of UNESCO of promoting friendly ties and mutual understanding among member countries. As such, Japan is continuing efforts to advance the review process.

## Column Behind the Scenes of the Gymnastics Team at the Rio Olympics



The men's team all-round won the gold medal at the Rio Olympics (Photo: Aflo Sport)

### The success of Japan's gymnastics team at the Rio Olympics

The success of the Japanese gymnastics team (Taisou Nippon) at the 2016 Rio de Janeiro Olympic Games inspired and touched the people in Japan. The confident and dignified manner that the Japanese team competed with in this major event gave courage and smiles to the spectators, and resulted in the gold medals

won by the men's team all-round and Kohei Uchimura for individual all-round, fourth place the women's team all-round, achieved for the first time in 48 years, and the bold moves in gymnastics rhythmic that helped the team proceed to the finals.

### The presence of sports associations in Japan

National Sports Federations play a part in the success of these athletes. Various National Sports Federations exist for the respective Olympic sports. In the case of gymnastics artistic, the Japan Gymnastics Association is constantly at hard work for, and in cooperation with the athletes competing in gymnastics artistic, gymnastics rhythmic and trampoline; it is not possible for an athlete to participate in a competition or partake in a training camp on his or her own. The Ministry of Foreign Affairs works together with such sports associations in Japan, invites athletes and coaches from overseas to Japan through the "Project for Sports Diplomacy Enhancement" launched in 2015, and dispatches Japanese instructors overseas. In addition, it also provides assistance in transporting sports equipment, and holds receptions at diplomatic missions abroad to facilitate networking with their counterparts in the field of sports. Through such activities, it seeks to foster friendship and promote knowledge about Japan overseas, as well as to deepen mutual understanding. It also aims to contribute to improving the status of Japanese athletes and sports officials in the international arena.

### The role of the Japanese President of the International Gymnastics Federation drew attention

At the Congress held in Tokyo in October 2016, Mr. Morinari Watanabe, then the General Secretary of the Japan Gymnastics Association, was elected the 9th President of the International Gymnastics Federation (FIG). He secured a sweeping victory with 100 votes out of 119 FIG members from around the world. Remarkably he is the fourth Japanese in the last 23 years to assume the Presidency of the International Sports Federations for the Olympic Games and the first person from Asia to be appointed to the position. While his capabilities, accomplishments as well as tireless campaign efforts were certainly the factors for his successful outcome in the election, growth in the number of fans of Japan

around the world as a result of inviting foreign gymnastics teams and coaches to Japan, and dispatching Japanese gymnastics instructors overseas is believed to have contributed to the victory he earned. Mr. Watanabe have spent one and a half years visiting more than 100 countries, particularly in Africa and Central and South America, to actively promote FIG among the countries where gymnastics sectors are still in the developing phase.

He is said to have spent only about ten days per month in Japan. While he was abroad, Japanese missions abroad held receptions which local individuals from the area of gymnastics and sports were invited to, and provided active support in coordination with the local gymnastics associations. Furthermore, through the Project for Sports Diplomacy Enhancement, the Foreign Ministry has invited gymnastic teams from Senegal, Tunisia, Nigeria, and Algeria to Japan, and sent Japanese instructors to Costa Rica.

Mr. Watanabe, who won the elections with as many as 100 votes, is expected to play an active role toward the Olympic and Paralympic Games Tokyo 2020, including strengthening Japan's influence in the international sporting world and improving its negotiation capabilities in the global arena. Apart from the gymnastics, personnel from Japan also landed the official positions of other types of sports in 2016, including triathlon, golf, boating, fencing, and sailing. In view of 2020, and in order to raise the status of the Japanese individuals in the international sporting world, the Ministry of Foreign Affairs will continue to support them in their activities around the world.



In Nigeria



Gymnasts invited from Senegal

## Column Judo's Contributions to Diplomacy

Gotaro Ogawa, Special Advisor, All Japan Judo Federation

### Judo as an intangible cultural asset of the world

Judo is well-known and popular in about 200 countries and regions. Though some small and poor countries in Africa and Central and South America often lack judo halls and its uniforms, those learning Judo put their best effort intraining, sitting up straight on their legs at the beginning and end of the sessions, and calling out commands such as “*Sensei ni rei*” in Japanese. As is generally known, the refereeing terminology used in the international judo competitions is Japanese such as “*Ippon*,” “*Waza-ari*,” and “*Soremade*.” It would not be an exaggeration to say that judo, which has penetrated all corners of the globe, is truly an intangible cultural asset of the world.

### Exchanges in Judo through public-private sectors' cooperation

Countries from around the world call for the dispatch of instructors from Japan and Japan's hosting of judo training sessions. While such needs from outside of Japan are not adequately met, the Ministry of Foreign Affairs is engaged in activities to provide support, including working with the groups of judo to send instructors overseas, and donate tatami mats and judo uniforms. In FY2016, the Ministry also partnered with the All



Japan-China Friendship Qingdao Judo Hall

Japan Judo Federation to dispatch student volunteers and provide judo training, mostly to countries in Asia. The selected students became friends with judo learners in the developing countries, and gained valuable experiences while contributing to international exchange. Since 2006, the Ministry of Foreign Affairs has cooperated with the NPO Solidarity of International Judo Education established by Yasuhiro Yamashita, to engage in judo-related cooperation in China. The Ministry also utilized the Grant Assistance for Cultural Grassroots Project, under the Official Development Assistance (ODA) program, to renovate judo halls in Qingdao and Nanjing, and to instruct Chinese judo practitioners at these halls over several years through the NPO Solidarity of International Judo Education.

In the summer of 2016, a group of the Japanese nationals who had instructed the coaches in China travelled around Qingdao, Nanjing, and Beijing, and saw the remarkable development of Judo in these areas, and the sense of affinity toward Japan.

### Judo thrives even in Nanjing

Judo sessions in a judo hall in Nanjing went like the following.

When a group of instructors visited the “Japan-China Friendship Nanjing Judo Hall”, a massive judo hall laid with more than 300 *tatami* mats, they were met with a large red banner hung on the wall on which “A warm welcome” was written. Below the banner,

approximately 200 children and adults dressed in judo uniforms were waiting in an orderly fashion. Once they entered the hall, everyone rushed toward them, saying “*Ni hao*” and bowing very courteously. There was no doubt that this polite behavior had been ingrained in the students by the Chinese instructors who had been trained in Japan. When the Japanese instructors began teaching them, their eyes lit up, and they began practicing with intense focus. There was a strong sense of respect for the instructors. While the parents of the children watched over the training session, their affection for the Japanese instructors was apparent. The number of members of this judo hall is about to reach 1,000 people. Despite the conflicting national sentiments between Japan and China, it was clear that judo had paved the way for a sense of affinity and respect toward Japan among many Chinese people.

Judo holds significant value for diplomacy as well. To meet the needs of countries abroad, measures are expected to be taken to allocate the budget for training Japanese instructors capable of engaging in long-term overseas instruction and drawing up an appropriate system for the particular purposes.



Spacious hall in the “Japan-China Friendship Nanjing Judo Hall”, and students at the judo hall

Note: From the perspective of placing focus on promoting understanding of Japan's diplomacy through martial arts exchanges, the Ministry of Foreign Affairs, in addition to the judo exchanges in FY2016 implemented projects through the diplomatic missions overseas to introduce martial arts such as aikido, karate, and kendo, and provided support for transporting equipment such as kendo gear.



# Chapter 4

## Japan's Diplomacy Open to the Public

<b>Section 1</b>	Japanese Society and People Deepening Their Ties with the World	344
<b>Section 2</b>	Supporting Japanese Nationals Overseas	363
<b>Section 3</b>	Diplomacy with the Support of the Public	379

## Section 1

# Japanese Society and People Deepening Their Ties with the World

### Overview

#### (Tapping the Power of Foreign Nationals for the Growth of Japan)

Increasing the number of people traveling between Japan and other countries stimulates the economy and promotes mutual understanding among different cultures. Based on this view, the Ministry of Foreign Affairs (MOFA) takes steps to facilitate the entry of foreign nationals into Japan and also their stay in the country.

The Government of Japan attaches importance to promoting Japan as a tourism-oriented country based on the recognition that “Tourism is a main pillar for Japan’s growth strategy and regional revitalization,” and MOFA has engaged in strategic relaxation of visa requirements. With efforts to attract tourists including showcasing the various attractiveness of Japan and other factors, the number of foreign visitors to Japan reached the highest record of 24 million in 2016, exceeding 20 million a year for the first time. MOFA strives to contribute to the increase of foreign visitors while continuing to maintain “Japan, the safest country in the world,” and to a tourism-oriented country both in quantity and quality by attracting

the wealthy class, repeat visitors, and the young generation.

In order to further vitalize the Japanese economy and increase Japan’s competitiveness, it is critical to secure capable human resources irrespective of their nationality. “Japan Revitalization Strategy (revised in 2016)” set forth utilization of foreign human resources. To realize it, MOFA works with relevant ministries and agencies to ensure the effective policy and measures for accepting foreign human resources taking into account human rights. Moreover, MOFA encourages national debate on the challenges arising from the acceptance of foreign nationals and their integration into Japanese society, as well as appropriate measures to be taken.

#### (International Organizations and Japanese Nationals)

At international organizations, staff from all over the world capitalizes on their respective skills and traits to carry out activities for addressing global issues.

Japan has been providing personnel contributions as well as financial and intellectual contributions to international organizations. If more Japanese nationals



play active roles in international organizations, Japan's presence in the international community will be enhanced and the human resources of Japan will also be enriched.

MOFA carries out programs to recruit, train, support, and provide information to competent Japanese nationals who can play active roles in international organizations and contribute to them. MOFA will further strengthen its efforts to create an environment where outstanding Japanese nationals can play active roles on the global stage.

### **(NGOs and Volunteers)**

The Government of Japan has promoted All-Japan diplomacy which draws on the strengths of non-governmental actors. In this context, non-governmental organizations (NGOs) have become even more important in recent years as implementers of support activities in developing countries and as channels for offering policy proposals. Japanese NGOs play a significant role in fields that Japan excels in and can make international contributions to, such as health, water and sanitation, education, disaster risk reduction, environment and climate change, and emergency humanitarian assistance for refugees and disaster victims. MOFA regards NGOs as important partners in development cooperation, and strives to strengthen partnerships with NGOs through financial assistance, improving their operational environment, aid and dialogue.

Participants in the volunteer programs of the Japan International Cooperation Agency (JICA), including Japan Overseas Cooperation Volunteers (JOCV) and Senior Volunteers (SV), are crucial actors in

international cooperation. In the countries and regions where they are dispatched, JICA volunteers see the development challenges from the same perspective as local people and work hard together to tackle them. Such programs are highly appreciated by local people including government officials in various countries and earn their gratitude, as symbols of the "Visibility of Japanese Development Cooperation." In addition, the programs play a substantial role not only in local economic and social development, but also in fostering mutual understanding, friendship, and goodwill between Japan and these countries and regions. Furthermore, these programs are also significant from the viewpoint that JICA volunteers bring back their experiences to contribute to society in the end, for the volunteers use their volunteer experience and stay active at home and abroad upon their return.

### **(Cooperation with Local Governments)**

Regional revitalization is one of the top priority issues of the Cabinet. MOFA is implementing all-ministry efforts under initiatives named "Local to Global" to showcase the regions' attractiveness to the world and to attract as many tourists and investments as possible. At home, MOFA, together with local governments, carried out "Regional Promotion Seminars" and "Diplomats' Study Tours" as well as projects to support regional revitalization by way of using the Iikura House, the Ministry's facility etc., to showcase the various attractiveness of local areas to the diplomatic corps in Tokyo. Also MOFA started a new project in which the Foreign Minister visits regional areas with the diplomatic corps in Japan to share the attractiveness of the regions.

Overseas, as measures to support Japan's local governments in promoting their attractiveness including the field of tourism, and in developing local industries and regional economies, "Regional Promotion Projects" have been conducted, by using Japan's diplomatic facilities overseas. Moreover, MOFA, in collaboration with local governments, continued to conduct PR and other activities under the "Project to Support Overseas Presentations as Countermeasures for Reputational Damages" to dispel damage from rumors stemming from the Great East Japan Earthquake. In addition, MOFA actively promotes alcohol beverages (Japanese sake, wine, etc.) produced in various regions in Japan through its diplomatic missions overseas and supports overseas operations of local governments and local SMEs (small and medium-sized enterprises) by making use of ODA.

## 1 Linking the Energy of Foreign Nationals to the Growth of Japan

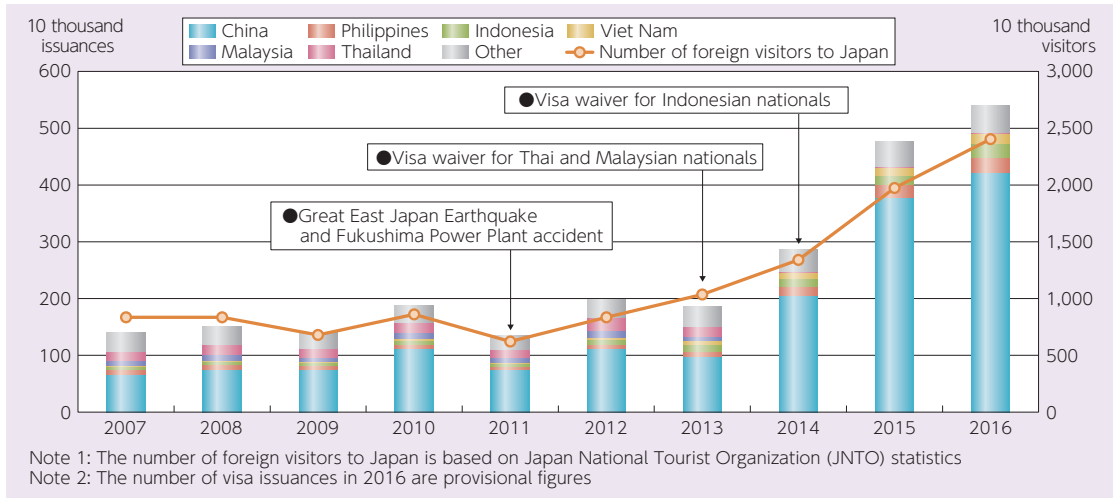
### (1) Growth Strategy and Relaxation of Visa Requirements

In 2016, the number of foreign visitors to Japan reached the highest record of 24 million exceeding 20 million a year for the first time. The Government set new goals of the number of foreign visitors to 40 million in 2020 and 60 million in 2030 in the "Tourism Vision to Support the Future of Japan" issued at the end of March 2016. In the Vision, it is stated that the government would engage in strategic relaxation of visa requirements for the five countries: China, Russia, India, Philippines and Viet Nam, for which visas are required to visit Japan despite their high market potential to attract

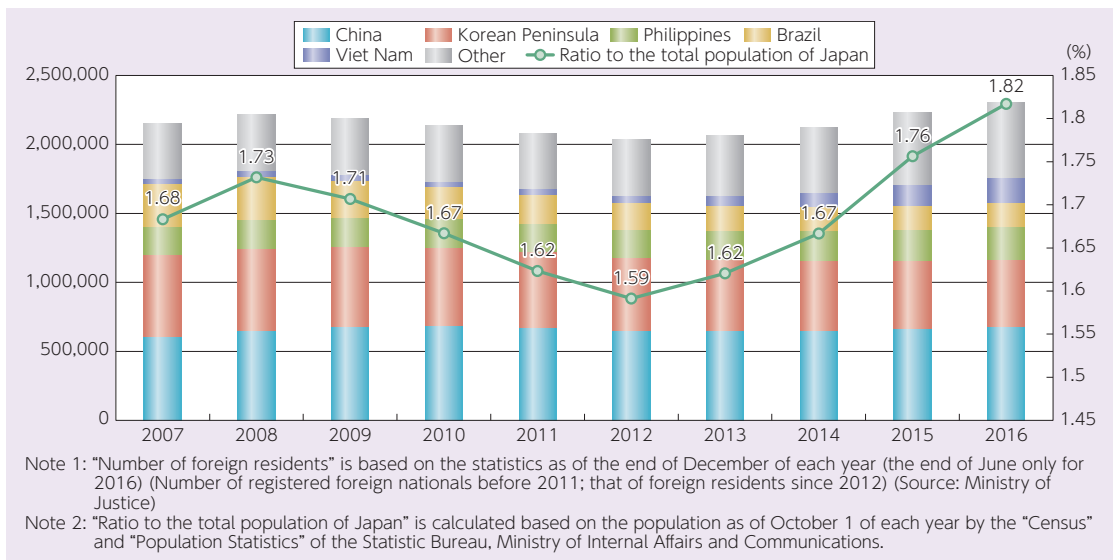
tourists. The concrete measures taken were published in the Tourism Vision Realization Program 2016 adopted by the Ministerial Council on the Promotion of Japan as a Tourism-Oriented Country in May. Based on these, MOFA has engaged in examining and implementing strategic relaxation of visa requirements not only for these five countries but also for other countries from the perspective of promoting people-to-people exchanges and strengthening bilateral relations, etc. To be specific, relaxation of multiple entry visa for Indian nationals as of January 11, the relaxation of multiple entry visa for business purposes for Vietnamese and Indian nationals as of February 15, introduction of multiple entry visa for Qatari nationals as of October 3, and the relaxation of multiple entry visa for business purposes and simplification of applications for students, etc. for Chinese nationals as of October 17 have been implemented. Furthermore, the simplification of visa application procedures for Indian students and the expansion of the number of visa application sites, announced on the occasion of Indian Prime Minister Modi's visit to Japan in November 2016, have been implemented since February 2017. Moreover, the introduction of multiple entry visas for tourism purposes, etc. for Russian nationals were announced on December 16, 2016 on the occasion of Russian President Putin's visit to Japan, and has been implemented since January 1, 2017.

As described, further expansion of relaxation of visa requirements is expected as it has the effect on promoting people-to-people exchanges and Japan's economic growth. On the other hand, the Government intensifies visa control as a part of border measures to prevent the entry of criminals

## The Number of Visa Issuances and Foreign Visitors to Japan



## Changes in the Number of Foreign Residents and their Ratio to the Total Population of Japan



and foreign visitors with intension of illegal labor, as well as those who could become victims of human trafficking. MOFA is determined to continue working on the relaxation of visa requirements, aiming at increasing the number of visitors to Japan while ensuring that "Japan, the safest country in the world," and contributing to achieve a tourism-oriented country both in quality and quantity and attract the wealthy class, repeat visitors, and the young

generation. Also, MOFA intends to conduct such relaxation of visa requirements with taking into account all the factors such as the bilateral relations and their diplomatic significance.

## (2) Acceptance of Foreign Nationals and their Social Integration

Since the Lehman Shock in 2008, the number of long-term foreign residents in Japan had kept decreasing until 2012

when the trend turned upward. While the aging of the population continues with low birth rate resulting in the decrease of the population, it is important for Japan to secure capable human resources, irrespective of their nationality, in order to further vitalize Japan's economy and improve its competitiveness. The "2016 Revised Japan Revitalization Strategy" specifically aims at an effective utilization of foreign human resources, and it is expected that the number of competent foreign nationals living in Japan will further increase in the future.

MOFA cooperates with the relevant ministries and agencies to assure the series of measures to be considerable and effective to the principle of human rights of the foreign nationals. MOFA also hosts "International workshops on the acceptance of foreign nationals and their integration into Japan", aiming to encourage debate among the people by providing opportunities to discuss concrete challenges and measures. In February, MOFA co-hosted a workshop with Shinagawa Ward and the International Organization for Migration (IOM) under the theme of "Diversity Management in Workplaces: Do Japanese Firms Provide Attractive and Fulfilling Working Environments?" The participants mainly



International workshop on the acceptance of foreign nationals and their integration into Japan (February 26, Tokyo)

discussed the environment in Japanese companies and how Japanese and foreign nationals should work together.

In June, MOFA and the Tokyo Metropolitan Government co-hosted the Disaster Management Seminar for Diplomatic Missions and Foreign Delegations in Tokyo, focusing on the theme of foreign tourists' safety and relief at the time of disasters, considering the Tokyo Olympic and Paralympic Games taking place in 2020.

## 2 Japanese Taking Active Roles in the International Community

### (1) Japanese Taking Active Roles in International organizations

International organizations are founded to serve the common interest of the international community. People of various nationalities join these international organizations and draw on their skills and traits to create an environment where people of the world can enjoy peace, security and prosperity. There are many international organizations to solve global issues; for instance, poverty reduction, climate change, human rights, humanitarian affairs, food, energy, refugee protection, conflict prevention/peace-building, health, education, employment and women empowerment.

Competent individuals with specialized knowledge, passion and capabilities to contribute to the world beyond the framework of nation states are needed so that international organizations can competently perform their duties and fully fulfill the roles expected of them. In addition to financial contributions for international organizations to deal with

## Japanese Working on a Global Scale

Peacekeeping involves people from a variety of cultural and professional backgrounds with different values and approaches to work, coming together from all over the world to bring about peace. Daily life in the field can be challenging at times. However, I feel privileged to be able to take part in this global public service. (Jin Iwata)



The Haiti 2010 earthquake memorial in MINUSTAH base. Honoring the memory of the 200,000 victims, including 102 United Nations personnel, who perished in this tragic event.

**Jin Iwata**

Special Assistant to the Chief of Staff/Directeur de Cabinet  
United Nations Stabilization Mission in Haiti (MINUSTAH)

I find UNHCR's protection work rewarding when my day-to-day efforts bear fruit such as that safety of refugees and equitable access to asylum are ensured, regardless of challenges in working in the field sometimes in a tense situation. (Tomoko Ishihara)



Protection activities for refugees and migrants in Lesbos island in Greece

**Tomoko Ishihara**

Associate Regional Protection Officer,  
Regional Representation for West Africa in Dakar, Senegal,  
Office of the United Nations High Commissioner for Refugees (UNHCR)

their tasks through regular budget and voluntary contributions, Japan also makes contributions in terms of intellectual and human resources through the active roles of Japanese staff.

Currently, about 800 Japanese nationals are working as professional staff members in UN-related agencies around the world. The number of Japanese employees have increased by more than 100 since 2000, signifying the expansion of Japan's intellectual and personnel contributions. However, compared to the number of professional staff members of other G7 member countries, which exceed 1,000, Japanese personnel contribution remains insufficient.

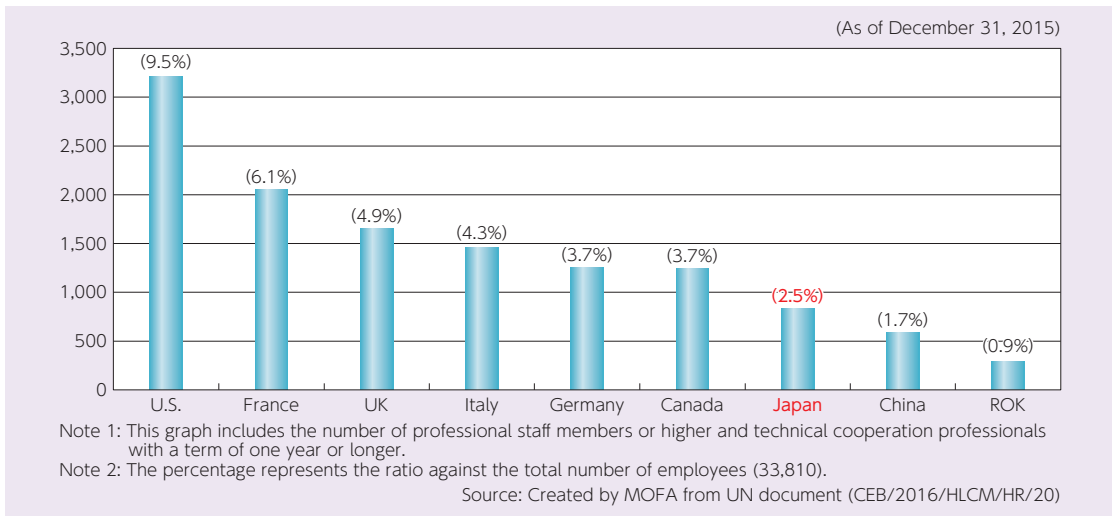
The Government of Japan has set the objective of increasing the number of Japanese employees working at UN-related agencies to 1,000 by 2025. To this end, MOFA is actively recruiting, training, supporting, and providing information

in collaboration with universities and related ministries and agencies to Japanese nationals who can play active roles and make a contribution on the global stage. As part of this effort, MOFA has organized guidance sessions to provide information on the process of recruitment by international organizations and hosted Outreach Missions of human resource staff from international organizations visiting Japan.

Furthermore, MOFA also supports young people dispatched to international organizations by strengthening and expanding the Junior Professional

Officer Programme (a system of sending young Japanese nationals who aspire to work in international organizations as regular employees for two years in principle to provide them with opportunities to gain necessary knowledge and experience in international organizations and to aim for regular employment after their

## Number of staff members at UN-related agencies by Nationality (professional or higher)



dispatch). MOFA is also committed to coordination with human resource sections of international organizations, gathering information, providing vacancy information, and supporting application procedures, etc. for the promotion and employment of Japanese staff.

As one of Japan's contributions in the international community, more Japanese people taking on active roles in international organizations are expected to lead to the enhanced presence of Japan. It will also demonstrate how Japan is truly committed to the promotion of peace and prosperity of the world and actively working for it. In addition, Japanese staff of international organizations may play the role of a "bridge" between the international organization and their home country. For example, when Japan cohosted the Tokyo International Conference on African Development (TICAD VI), in 2016 held in Kenya with the United Nations, the UN Development Programme (UNDP) and others, Japanese staff members, who are able to understand the work procedure of both Japan and partner organizations and

differences in the way of thinking between them, proved essential in advancing projects and policy issues in a smooth, prompt and efficient manner and their roles were highly appreciated by the international organizations (See Column "The Voices of the People Who Gave Support on the UN Stage"). The presence of Japanese staff in international organization has vital significance also from the perspective of promotion of Japan's diplomatic priorities.

Moreover, increase in the number of Japanese people with various international experiences will in turn lead to enrichment of human resources of Japan, contributing to the development of Japan as a whole.

MOFA will continue to be even more active in undertaking measures to increase the number of Japanese nationals working in international organizations so that competent Japanese nationals who understand the roles and responsibility of international organizations and have high aspiration and passion to contribute to solving the issues faced by the international community can take part in international organizations.

## (2) Activities of Non-Governmental Organizations (NGOs)

### A Development Assistance

It is estimated that in Japan there are over 400 non-governmental organizations (NGOs) engaged in international

cooperation activities. Most of them are familiar with local needs at the grassroots level and provide flexible and detailed support in developing countries / regions with various challenges such as poverty, natural disaster, and conflicts and their

## Column The Voices and People Who Have Supported the United Nations

### The UN as a path to building a better world

June Kunugi Special Representative

United Nations Children's Fund (UNICEF), State of Palestine

Working for the United Nations is in my DNA—literally, as my father previously worked for the United Nations in New York, Jerusalem, and Bangkok. Growing up as a foreigner wherever I lived also made me want to dedicate myself towards promoting multicultural understanding and building a more peaceful, equitable, and tolerant world through international partnership.

The 1990 World Summit for Children organized by UNICEF gave me both inspiration and later a career opportunity. As a graduate student, I attended and wrote an article about the Summit for the *Asahi Weekly*. I was moved by the Summit's message that the means and knowledge exist in the world to protect children and reduce their suffering, and to tackle the challenge of around 40,000 children dying every day from largely preventable causes—diarrhoea, respiratory infections, and malnutrition. What was needed was political will, which is why UNICEF convened the largest gathering of world leaders up to that time, and mobilized their commitment and political will to achieve the goals and plan of action adopted at the Summit.

After graduating in 1991, I was fortunate to get a job with UNICEF, first as a consultant and then as a JPO sponsored by the Government of Japan.

I have worked with UNICEF at headquarters (New York, Tokyo) and field locations (Vietnam, Bangladesh, Oman and the Gulf, Bosnia and Herzegovina, and now Palestine) for over a quarter of a century. I have witnessed significant progress, including in reducing child mortality rates globally through the work of the UN and its partners, enabled by donor partnership and support, with Japan being one of the leaders.

I have felt privileged to have been part of the UN, and highly recommend more Japanese people to consider careers in the UN system. The technical expertise and experience Japanese staff contribute are highly appreciated, and in turn they gain unique experience and knowledge that enrich Japanese society and linkages with the rest of the world, building a better future together.



With a girl from the nomadic Bedouin tribe

### Supporting “Win-Win-Win” TICAD Process Shigeki Komatsubara, TICAD Programme Adviser United Nations Development Programme (UNDP)

Over two days in August 2016, in Nairobi Kenya, the Sixth Tokyo International Conference on African Development (TICAD VI), the first TICAD summit on African soil, was held. TICAD VI attracted political and business leaders from Africa and Japan as well as representatives from Europe, Americas, Asia, Civil Society as well as International Organizations, totaling 11,000, proved to be one of the most successful international conferences held in Africa.

UNDP and Japan have much in common in their development perspectives and approaches, such as human centered development, human security, as well as individual and institutional capacity building, and have been working together for the success of the TICAD process since its inception in 1993. TICAD, which brings together key stakeholders from Africa, Japan and global community to discuss African development, is a very unique international endeavor, and it has been making important contributions to global development agenda such as the regional integration, Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs).

Reflecting the rising interest among Japanese stakeholders in Africa that is achieving steady economic growth, more than 3,000 people participated in TICAD VI from Japan. It was a touching moment to meet again in Nairobi with so many Japanese business leaders with whom I had worked during 11 years at Keidanren (Japan Business Federation) secretariat, before joining UNDP 15 years ago. Since then, I have been consistently working for African development from UNDP headquarters in New York and Ghana country office, and have witnessed Japan and Africa getting ever closer to each other.

TICAD is the “win-win-win” endeavor, contributing to Africa, Japan and the Global Society at the same time. I look forward to welcoming more Japanese colleagues to join the United Nations and enrich it with their experiences and wisdoms.



With Kenya's Ambassador Ben Ogotu, Director General of the TICAD VI Secretariat, on the day of the adoption of the TICAD VI Nairobi Declaration



## Column Impressions from the podium of chairing the Postal Operations Council (POC) of the Universal Postal Union (UPU)

**Masahiko Metoki, Chairman, Postal Operations Council (POC), Universal Postal Union (UPU) (Senior Vice President (International Affairs), JAPAN POST Co., Ltd.)**

During the plenary session of the Postal Operations Council (POC) of the Universal Postal Union (UPU) in Berne, Switzerland, the conference room, with a capacity of 200, is filled to the second-floor balcony seats with representatives of the 40 Council members, observers, regional organizations, Secretariat staff members, and others.

The Chairman and about 10 members of the International Bureau, including the Director General, sit in a row on a 60-cm-high podium at the front of the room.

From 2013 to 2016, I chaired a total of eight meetings here. I would look over the conference room, and then declare the meeting open. All eyes would turn to me, and we were seemingly transported to another world for a while.

The proceedings never follow the script. There is not a moment's rest with requests to change the order of proceedings, the absence of the person supposed to explain the agenda items, voting requiring complicated procedures, and untimely statements just as discussions are about to conclude, as well as the need to notify the interpreters and other people concerned when we have to go beyond the scheduled time.

I also made many blunders. For example, I did not notice that a member country right in front of me was requesting to speak. I also mistakenly said 2020 instead of 2012 and was warned by the support staff next to me.

This was what it was like to be in charge of the meeting. Fortunately, Japan was well-received by UPU members as the chair country. I wish to take this opportunity to thank everyone who helped me along the way.

The UPU is an international organization for international mail whose purpose is to guarantee the free circulation of postal items over a single worldwide postal territory composed of interconnected networks. Established in 1874, the UPU is said to be the second oldest international organization worldwide. It became a UN specialized agency in 1947. It currently has 192 member states and areas.

The Congress, the supreme body of the UPU, is held once every four years. Operations between Congresses are carried out by the International Bureau, the Council of Administration (CA; 41 council members) and the Postal Operations Council (POC; responsible for operational matters concerning postal service, 40 council members).

Japan joined the UPU in 1877 and has always been handily elected a member of the POC since its establishment in 1957. It has actively contributed to operational activities, including quality improvement of Express Mail Service (EMS) and the development of a



Mr. Metoki (left) with an IB director (right).

tracking system for international mail, as two specific examples of its cooperation.

Against this background, in order to contribute to the UPU as a way to show gratitude for the condolences and encouragement that we received from other countries on the occasion of the Great East Japan Earthquake and Tsunami, and to emphasize the importance of the public mission of mail as a country struck by disaster, Japan stood for the first time in 2012 as a candidate for the POC chair.

At the Doha Congress in that same year, Japan, as the sole candidate, was elected as the chair country. I was designated to serve as the POC chairman, as I was the director of the International Business Division of Japan Post at the time.

As chairman, I aimed to conduct the proceedings effectively and in a way that everyone, including myself, could understand. Specifically, with the cooperation of member countries and the International Bureau, I was able to achieve results such as making the proceedings visible by displaying the agenda items in English and French at the front of the conference room and expediting decision-making by holding meetings twice a year. Today, they have become standard practice for the UPU.

It was also important to build personal trust with the chairpersons of the committees under the POC that discuss specialized and technical matters.

In January 2013, we held a preparatory meeting in Tokyo to which we invited the committee chairpersons on a voluntary, unofficial basis. All the chairpersons participated and generated an esprit de corps to conduct POC activities together through cross-functional discussions on issues for the POC as a whole.

At the end of the cycle, the committee chairpersons stated one after another that they had gained a solid understanding of the matters that needed to be executed through teamwork at the Tokyo meeting and that they had never experienced anything like that in their long years of activity in the UPU.

With that, I managed to fulfill my duties as the chair. At the Universal Postal Congress in Istanbul, Turkey in October 2016, Japan was elected again as the chair country, and I was designated to serve again as the chairman.

There are several important issues in this cycle as well that require early decisions.

Integrating international postal products, Electronic Advance Data (EAD) of customs information and the development and introduction of products geared to e-commerce are just a few of the issues that are the subject of major controversy from legal and technical perspectives. I intend to use my previous experience as the chair to hold efficient and effective discussions.

In this new four-year cycle, I hope to be able to look around the conference room in a little more relaxed manner.



Mr. Metoki (second from the left) with the committee chairs at a regional meeting in New Delhi.

importance in development cooperation is increasing.

MOFA provides financial cooperation in the form of grant assistance for economic and social development projects implemented by Japanese NGOs in developing countries/regions (Grant Assistance for Japanese NGO Projects) and actively provides Official Development Assistance (ODA) through NGOs. In FY 2016 (as of end-December), 29 Japanese NGOs implemented 38 Grant Assistance for Japanese NGO Projects in 15 countries in Asia, Africa, the Middle East, etc. The projects cover a wide range of assistance, including, health/medical/hygienic care (maternal and child health, countermeasures for tuberculosis/HIV/AIDS, water/hygiene, etc.), rural development (environmental development/technological improvement for agriculture), support for the people with disabilities (vocational training/employment assistance, provision of wheelchairs for children, etc.), education (building schools, etc.), disaster risk reduction, and the clearance of landmines and unexploded ordnances (UXO). Moreover, subsidies are provided with the objective of supporting activities that enhance the project execution capabilities and expert skills of Japanese NGOs and promote NGO projects (NGO Project Subsidies).

The Japan Platform (JPF) was established in 2000, with the aim of conducting emergency humanitarian assistance effectively and promptly through cooperation and partnership among the government, NGOs and business communities at the time of refugee crises/large-scale natural disasters. As of the end of December 2016, 46 NGOs are members of JPF. In 2016, JPF launched aid to assist

Hurricane “Matthew” disaster victims in Haiti and an Emergency response to Extreme Winter Condition (Dzud) in Mongolia, JPF continuously provided assistance to refugees and internally displaced persons in Syria, Iraq, and their neighboring nations. Humanitarian assistance was also provided to Afghanistan, Yemen, Gaza (Palestine), South Sudan, and Myanmar, etc.

Japanese NGOs conduct a number of activities using contributions from supporters and the income earned from their own business. In recent years, with growing public interest in Corporate Social Responsibility (CSR), an increasing number of companies with technologies and funds implement social action programs-projects in developing countries in partnership with NGOs with much knowledge on development cooperation.

As seen thus far, NGOs assume important roles in the area of development cooperation. Identifying such NGOs as partners in development cooperation, MOFA and JICA provide indirect support for NGO activities through various policy measures with the aim of enhancing their capacity, and expertise as well as developing human resources so that NGOs can strengthen the foundation for their activities and perform further tasks. In 2016, MOFA implemented four projects, namely “NGO Study Group,” “NGO Overseas Study Program,” “NGO Intern Program” and “NGO Consultant Scheme.”

Moreover, the general meeting of the “NGO-MOFA Regular Consultation Meeting” was held in June in order to promote dialogue/coordination with NGOs. Also the ODA Policy Council to discuss overall ODA and the Partnership Promotion Committee to discuss support

for NGOs and cooperation measures were held. In addition, MOFA has been working on global-scale issues in the development and humanitarian areas, including the process to adopt the 2030 Agenda for Sustainable Development, exchanging opinions with NGOs.

### **B Partnership in Other Major Diplomatic Areas**

MOFA also cooperates with NGOs in areas other than development cooperation. For instance, at the 60th session of the UN Commission on the Status of Women (CSW) held in March, Ms. Hiroko Hashimoto (professor emeritus of Jumonji University and principal of Jumonji Junior/



Creating a Place for the Handicapped to Work in Houaphanh Province, Laos(Grant Assistance for Japanese NGO Projects Photo: Asian Development with Disabled Persons (ADDP Japan; specified non-profit organization))



The Second FY2016 NGO Consultants Liaison Meeting (November 28, Okayama Prefecture)

Senior High School) represented Japan, and NGO representatives actively participated in discussions as members of the Japanese delegation. At the 71th UN General Assembly, Ms. Yasue Nunoshiba (professor of Bunkyo University) attended the Third Committee, which deals with a range of social and human rights issues, as an advisor to the representatives of the Government of Japan. In addition, the Government of Japan has initiated dialogues with civil society including NGO representatives and experts on matters related to government reports to be submitted based on various conventions on human rights, third country resettlement projects, and the National Action Plan on Women, Peace and Security based on the UN Security Council (UNSC) Resolution 1325 and related resolutions.

Japanese NGOs are also increasing their presence in the area of disarmament, and MOFA has been actively promoting cooperation with NGOs in the area of conventional weapons, for example, participation of MOFA officials in seminars hosted by NGOs, cooperation in clearance of mines and unexploded ordnances, and risk reduction education projects.

Furthermore, in the area of nuclear disarmament, MOFA has been conducting dialogues with various NGOs and experts. The Government supports the activities of NGOs and others to convey atomic bomb survivors' testimonies on the realities of the disaster of the use of nuclear weapons to the international community through the commissioned projects called "the Special Communicator for a World without Nuclear Weapons" and "the Youth Communicator for a World without Nuclear Weapons." As of December, a total of 262 Special Communicators on 83 occasions and a

total of 174 Youth Communicators on 18 occasions have been dispatched to the world through these commission programs.

As for the measures against transnational organized crime, especially in the area of trafficking in persons, coordination with civil society including NGOs is essential. With this in mind, the government actively exchanges opinions with NGOs and other stakeholders to identify recent trends of trafficking in persons and to consult appropriate measures to address them.

### (3) Japan Overseas Cooperation Volunteers (JOCV) and Senior Volunteers (SV)

The Japan Overseas Cooperation Volunteers (JOCV) is a Japan International Cooperation Agency (JICA) program aimed at cooperation/assistance for the economic and social development of the communities of the developing countries where young skilled people aged 20 to 39 live and work together with local people in these countries, fostering mutual understanding. As of end-November 2016, 42,094 JOCVs had been dispatched to 88 countries in total. Dispatched members have been engaged in about 200 types of work in nine areas: planning administration, commercial/tourism, public utility works, human resources, agriculture, forestry and fisheries, health/medical care, mining, social welfare and energy.

In July 2016, JOCV, which was established in 1965 and celebrated its 50th anniversary in 2015, received the Philippines' Ramon Magsaysay Award<sup>1</sup>, otherwise known as the Asian Nobel Prize. JOCV is highly regarded

by developing countries as representing the “Visibility of Japanese Development Cooperation.”

In 2016, in addition to countries where JOCVs had been dispatched, Japan concluded an agreement with Myanmar concerning the dispatch of volunteers under the JOCV program and an agreement with Lesotho on technical cooperation including JOCV.

The Senior Volunteers (SV) program is a program to dispatch middle aged persons from 40 to 69 years of age who have wide-ranging skills and rich experiences to developing countries. The program has been expanding every year since its foundation in 1990. By the end of November 2016, a total of 6,047 volunteers had been dispatched to 74 countries, and cooperated in nine areas, the same as the JOCV program. The SV program has drawn increasing interest in recent years from the perspective of supporting to start a new life after retirement and utilizing the rich experiences and expertise of retired senior citizens.

JOCV and SV programs are supported by the high aspirations of people who are keen to provide cooperation for the sake of economic and social development and reconstruction of developing countries. MOFA actively promotes these programs, considering them as a core of participatory international cooperation by citizens. As of end-November 2016, 2,044 JOCVs and 391 SVs are working around the world (69 countries and 58 countries, respectively). The volunteer participants who have returned to Japan contribute to Japanese

<sup>1</sup> Established to commemorate President Ramon Magsaysay of the Philippines, the Ramon Magsaysay Award is awarded each year by the Ramon Magsaysay Award Foundation located in Manila City to an individual or organization that has produced exemplary results in Asia through contributions to society, etc.



A volunteer from the Japan Overseas Cooperation Volunteers (JOCV) giving advice on life improvement in Costa Rica (Photo: Kenshiro Imamura/JICA)



A member from the Senior Volunteers (SV) working as a nurse at a hospital in Laos (Photo: Shinichi Kuno/ JICA)

society by sharing their experiences in educational and local activity settings and private companies. These unique participatory activities of Japan are highly appreciated and expected both domestically and internationally, including in recipient countries.

Experiences gained from JOCV/SV programs can lead to the personal development of the participants as human resources who will make a positive impact on the global arena. Thus, the government is working with companies, municipal governments and universities which need such opportunities to develop human resources through the dispatch of their employees, teachers and students to developing countries. This could lead to expand the participants from a broad range of areas. For instance, as a

program responding to the needs of private companies, such as small-and medium-sized enterprises, aiming for international development of their businesses, the government launched the “Private-Sector Partnership Volunteer” program in FY2012. Furthermore, the government is committed to developing an environment where returned JOCVs and SVs can feed back their experiences into society, including employment support. Returned volunteers are active in many fields inside and outside Japan. Some have been hired by the Reconstruction Agency to work as additional personnel for disaster-stricken local governments, utilizing their own specialties and experience gained in JOCV/SV programs. Some keep on supporting the countries where they were dispatched with other returned volunteers, others work for international organizations.

### 3 Cooperation with Local Government

Regional revitalization is one of the priority issues of the Cabinet. Both MOFA and diplomatic missions overseas work as one to actively promote various measures that contribute to the vitalization of the regions in order to promote a powerful diplomacy that leads to regional revitalization.

Inside Japan, projects to support regional revitalization, which started in 2015 using the Iikura House, the Ministry’s facility, were jointly implemented with Kagawa Prefecture (February), Ibaraki Prefecture (June), and Wakayama Prefecture (November). Under this scheme co-hosted by the Foreign Minister and respective prefectural governors, the ambassadors residing in Japan and foreign people



Stage performance at reception (Reception co-hosted with the Governor of Kagawa Prefecture) (February 9, the Iikura House, MOFA)



Booths at the reception venue (Reception co-hosted with the Governor of Ibaraki Prefecture) (June 1, the Iikura House, MOFA)

involved in commerce and industry are invited to the Iikura House to hold seminars and receptions. With many people in attendance for each project, the various attractiveness of the regions were introduced widely both in Japan and abroad.

In addition, in 2016, MOFA launched a new undertaking to showcase the attractiveness of the regions globally. In this project, the Foreign Minister and other high-level MOFA officials visit regions in Japan with the diplomatic corps in Japan to engage in dialogue with the local people, and promote the attractiveness of the regions to the world, with the aim of connecting Japan's regions with the world and further vitalizing such areas. Foreign Minister Kishida and others visited Miyagi Prefecture in November as part of this



Kagami-Biraki, opening a cask of Japanese sake (Reception co-hosted with the Governor of Wakayama Prefecture) (November 10, the Iikura House, MOFA)



"Local to Global" Project: Matsushima Tairyo Kaki Matsuri in Isojima (Big Catch Festival for Matsushima Oysters in Isojima) (November 23, Matsushima Town, Miyagi Prefecture)

project.

Besides, "Regional Promotion Seminars" and "Diplomats' Study Tours" were organized for the diplomatic corps in Japan. "Regional Promotion Seminars" to showcase the attractiveness of respective regions were held in collaboration with Miyagi Prefecture, Miyazaki Prefecture, Kashihara City in Nara Prefecture and Tochigi Prefecture at MOFA in February, and also held in collaboration with Nagano Prefecture, Yokosuka City in Kanagawa Prefecture, Iki City in Nagasaki Prefecture and Suzuka City in Mie Prefecture at a hotel in Tokyo in June. 70 to 80 members of the diplomatic corps took part in each of the seminars. At the seminars, participating local governmental units gave presentations to the diplomatic corps in Japan and other participants to convey

the attractiveness in terms of tourism and the benefits of investing in their respective regions. This was followed by booth exhibits of the unique products and tourist attractions of the respective regions, and mutual exchanges.

“Diplomats’ Study Tours” organized for the diplomatic corps in Japan were conducted in Tochigi Prefecture (February), Yokosuka City in Kanagawa Prefecture (May), Nagano Prefecture (July), Fukuoka City in Fukuoka Prefecture and Iki City in Nagasaki Prefecture (November), with around 20 to 30 members of the diplomatic corps participating in each occasion. The diplomatic corps visited local research, cultural, industrial and artistic facilities, etc. and interacted with various local organizations and their students.

Furthermore, MOFA actively provides local governments with opportunities to explain Japan’s current diplomatic policies and exchange views. As a part of such activities, a “Local Partnership Cooperation Forum” was held in January. Part One of the forum was the foreign policy briefing session, where MOFA explained “Economic Diplomacy and Public-Private Collaboration.” In Part Two of the forum, participants exchanged views in five sectional meetings entitled “information transmission to the world by making use of foreign media”, “local partnership”, “showcasing various attractiveness of Japan through the Japan House”, “Public-Private Cooperation (supporting the overseas activities of Japanese businesses and local governments by utilizing ODA)”, and “undertaking regional revitalization (utilization of new types of grants, etc.)” About 250 people, mainly local government officials, attended the forum.

Overseas, MOFA continued to conduct the “Project to Support Overseas Presentations as Countermeasures for Reputational Damages,” launched in 2015 to dispel rumors stemming from the Great East Japan Earthquake and promote the attractiveness of tourism resources and food in collaboration with local governments in the disaster-stricken areas, in Seoul and Taipei (hosted by the Interchange Association (public interest incorporated foundation)) in February 2016. In Seoul, local government officials and people from the tourism and distribution industries among others took part in the ceremony at the Ambassador’s residence by invitation, with Aomori, Miyagi, Fukushima and Kagoshima Prefectures participating. In Taipei, the opening ceremonies were held with officials from the Taiwanese authorities and people from the food industries, tourism and distribution industries among others taking part by invitation, as well as a promotion event for the general public with about 17,000 visitors over two days with the participation of Iwate, Miyagi, Fukushima, Chiba and Ehime Prefectures.

In addition, 20 “Regional Promotion Projects” were conducted in Asia, North America, and Europe as measures to support local governments in promoting the attractiveness of each region and in developing local industries and regional economies by making use of Japan’s diplomatic facilities overseas. For example, in June, the Shanghai Office of Kumamoto Prefecture and the Consulate General of Japan in Shanghai showcased the attractiveness of Kumamoto and Kyushu by co-hosting an event at the consulate-general to recover reputational damages of the Kumamoto Earthquake in 2016 mainly





Regional Promotion Seminar: Exchange meeting (June 30, Tokyo)



Diplomats' Study Tour: Welcome reception hosted by the mayor (May 23, Yokosuka City, Kanagawa Prefecture)

in the field of tourism and to express gratitude for the support and donations for Kumamoto.

In addition, MOFA supports sister-city exchanges between Japanese local bodies and their counterparts abroad through various initiatives. Specifically, in order to support the international initiatives of local governments and communities, Japanese diplomats visit sister cities of Japanese municipalities and share each other's opinions with officials responsible for international/economic exchanges. Also, heads of the diplomatic missions overseas visit local cities in Japan to have dialogues and deliver lectures on sister city exchanges prior to leaving for new posts or when they



Diplomats' Study Tour: Tourism Train "Rokumon" (July 29, Ueda City, Nagano Prefecture)



Diplomats' Study Tour: A so-called Yuruchara (costumed mascot character), Jinmenseki-kun (stone face character), welcomed the diplomatic corps (November 8, Iki City, Nagasaki Prefecture)

temporarily return to Japan. In addition, if a foreign local governmental body wants to establish a sister-city relationship with a Japanese one, MOFA indirectly supports such a move by providing prefectures and 20 major cities with relevant information and posting it on the "Glocal" (global and local) Diplomatic Network" on the website of MOFA<sup>2</sup>.

As part of the overseas promotion of alcoholic beverages (Japanese sake and wine, etc.) produced in various parts of Japan, diplomatic missions overseas create opportunities to introduce Japanese alcoholic beverages, by way of offering them at lunch/dinner with government leaders of the assigned countries or diplomatic corps

<sup>2</sup> Currently (as of February 2017), the countries with a large number of Japan's sister and partnership cities (including prefectures and municipalities) are, in descending order, the U.S. (448), China (362), the ROK (163), Australia (108), and Canada (70) and so on. (Calculated by the Council of Local Authorities for Internal Relations; see its website: <http://www.clair.or.jp/j/exchange/>)



The local promotion project in Taipei to recover reputational damages (February 26, Taipei)

of other countries, and making a toast with Japanese sake at grand events such as the Emperor's birthday receptions. As a result, participants in these lunch/dinner events or receptions organized around the world have given positive feedback and evaluations on Japanese alcoholic beverages. The opportunities have increased their understanding and initiated their interest in Japanese alcoholic beverages.

Moreover, MOFA works on supporting local companies. With the rapid economic development, the demand for water treatment, waste disposal, urban transportation, and anti-pollution measures, etc., have sharply increased in developing countries. In cooperation with Japanese local authorities and by making use of ODA, MOFA supports the overseas business expansion of local SMEs (small and medium-sized enterprises), which have accumulated knowledge on countermeasures against such problems, and increases development cooperation. This contributes not only to the global outreach of local companies, development of globally competent human resources, and Japanese style of infrastructure export but also to vitalizing the economy of whole Japan as well as some local areas.

## Section 2

# Supporting Japanese Nationals Overseas

## Overview

### (Risks and Safety of Japanese Nationals abroad)

In July, the terrorist attack in Dhaka, Bangladesh, occurred, claiming seven Japanese lives and injuring one. The risk of large-scale terrorist attacks is now spreading from the Middle East and Africa to Europe, the U.S. and Asia. Besides these attacks, the risk of ordinary crimes and infectious diseases that are unfamiliar in Japan exists worldwide. Approximately 16 million Japanese nationals travel abroad annually (2016), while approximately 1.32 million Japanese nationals lived overseas as of October 2015. Securing the safety of Japanese nationals overseas and promoting their interests is one of the most important missions of the Ministry of Foreign Affairs (MOFA).

In light of the terrorist attack in Dhaka, MOFA reviewed the recommendations from the “Task Force on Bolstering Safety Measures for Japanese Nationals Overseas,” issued in 2015, and published a report in August 2016 indicating measures that should be further strengthened. The report addressed the recognition of concerns over trends where the risk of terrorism

is spreading to Europe, the U.S. and Asia and is geared toward “soft targets” such as stations and shopping malls where large numbers of people congregate. In view of this, MOFA is engaged in efforts to further strengthen safety measures in order to prevent Japanese nationals from being harmed by terrorism based on the recognition that the following perspectives are important: (1) enhancing the awareness of safety measures and response capabilities of each and every person; (2) delivering timely, appropriate and effective information to the people; and (3) establishing a structure to securely implement them. In September 2016, it was decided to strengthen the International Counter-Terrorism Intelligence Collection Unit, which had been newly established in December 2015. The Unit collects information that serves the interests of the Prime Minister’s Office on international terrorism. The collected information is promptly provided to the Prime Minister’s Office and the related ministries and agencies, where it is utilized for assessing situation and making policy decisions, including in the area of consular services for the safety of Japanese nationals overseas.

In addition to terrorism, there are risks

of falling victim to robbery, other crimes and troubles, political disturbance, natural disasters, and infectious diseases such as the Zika virus disease, which has been spreading across Latin America, parts of the U.S. and Southeast Asia. When traveling or staying overseas, it is very important for each and every person to have strong safety awareness, collect information and take the necessary safety measures. MOFA is calling on people to use the MOFA “Overseas Travel Registration (“Tabi-Regi”)” and the Overseas Safety Website, through which it issues relevant information.

MOFA also endeavors to protect the safety of Japanese nationals and promote their interests. Efforts to this end include issuing passports and various types of certificates, as well as accepting notifications concerning nationality and family registers, and handling overseas voting.

MOFA, as the “Central Authority” for the implementation of the Convention on the Civil Aspects of International Child Abduction (the Hague Convention), provides assistance to realize the prompt return of children who have been wrongfully removed across borders, and/or to realize visitation or contact with children across borders.

## 1 Overseas Risks and Safety of Japanese Nationals

### (1) Incidents and Accidents in 2016 and Countermeasures

In July, a terrorist attack occurred in Dhaka, Bangladesh, where a restaurant was assaulted, with eight Japanese nationals harmed. The threat of terrorism is now spreading from the Middle East and Africa, where Islamic extremist organizations are

based in, to Europe, the U.S. and Asia, where many Japanese nationals travel and/or stay. Moreover, many cases of terrorism are seen where the acts are perpetrated by people who have been indoctrinated by foreign Islamic extremism ideology through the internet, etc. (homegrown type) and/or lone wolves, who have little organizational background and act alone, while there has been a tendency for terrorists to target the general public in everyday locations. This is making it ever more difficult to prevent acts of terrorism from occurring.

Other incidents occurring in 2016 that demonstrated this tendency include the January shooting and bombing in Jakarta (Indonesia), the March airport and subway terrorist attacks in Brussels (Belgium), the June shooting terrorist attack at a night club in Orlando (the U.S.), the June terrorist attack on the international airport in Istanbul (Turkey), the July rampage with a large truck at a fireworks festival in Nice (France), and the December assault with a large truck on a Christmas market in Berlin (Germany). There is concern that terrorist incidents will continue to occur at places where large numbers of the general public congregate.

As other crimes, murder incidents involving Japanese nationals occurred in several countries such as the Philippines, the U.S., Canada, Trinidad and Tobago, and Colombia. The incident involving Japanese students overseas include the murder of a Japanese woman in Canada (September) and the robbery murder of a male student in Colombia (November).

Incidents involving Japanese nationals include a mountain-climbing death on Mt. McKinley in June, the tourist bus rollover accident in Taiwan in September, train

collision in the Hoboken Terminal in New Jersey in the U.S. in September, a falling accident while mountain climbing in the Himalayan Mountains in Nepal in October, the capsizing of a glass-bottom boat at Sulangan Island in Indonesia in November, and the helicopter crash in Hawaii in the U.S. in November.

Cases of Japanese nationals overseas affected by a serious deterioration of security caused by political instability include two cases in July, one in South Sudan where government and opposition forces repeatedly clashed in the city of Juba, leading to evacuation of Japanese nationals out of South Sudan and the other in Turkey where part of the military conducted an uprising and left Japanese travelers temporarily stranded in the airport.

There have been continued reports of deaths and illness of middle-ages and seniors in the high altitude mountains, the sea, and at hotels. In some of such cases, family members of the victims faced difficulties dealing with expensive medical fees or transportation costs compared to those in Japan, or insufficient medical services.

As for infectious diseases, the Zika virus disease broke out in Brazil and elsewhere in Middle and South America and the World Health Organization (WHO) declared a “Public Health Emergency of International Concern (PHEIC)”. This drew worldwide attention. WHO announced the end of the PHEIC in November, but the infection has spread to parts of the U.S. as well as to Southeast Asia and Oceania among others. Thus, it is still necessary to be careful when traveling to or staying in the infected areas.

Moreover, cases of Crimean-Congo hemorrhagic fever in Spain were reported,

and there continue to be reports of cases of the Middle East Respiratory Syndrome (MERS) in the Middle East and human infection with avian influenza A (H7N9) in China and elsewhere. Dengue fever and malaria also continued to spread throughout the world.

MOFA issues “Overseas Travel Safety Information” on infectious disease and air pollution to provide Japanese nationals staying abroad with information on the current outbreak situation and prevention measures as well as with relevant warnings.

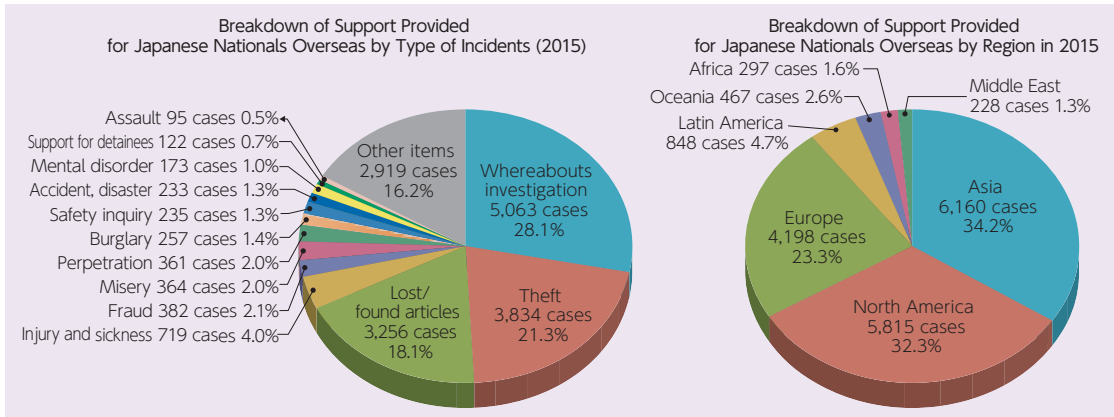
### **(Tips for Traveling and Living Abroad)**

As described above, threats to the safety of Japanese nationals have prevailed all around the world. When traveling and living abroad, in addition to “Overseas Travel Registration (“Tabi-Regi”)” or submission of Overseas Residential Registration, the following actions are important: (1) to check overseas safety information beforehand on the Overseas Safety Website or through media reports, etc., (2) to take full safety measures and risk aversion actions to prepare for emergency situations while abroad, and (3) in an emergency, to contact the Japanese diplomatic missions overseas nearby, such as the embassy/consulate-general, and family members in Japan. It is very important for each individual traveler to purchase travel insurance with sufficient coverage as, without travel insurance, expensive medical fees incurred abroad may make it difficult to pay the medical cost or to receive proper medical care.

### **(2) Safety Measures for Japanese Nationals Abroad**

While Japanese nationals play major roles in the international community, there

## Breakdown of Support Provided for Japanese Nationals Overseas by Type of Incidents and Region (2015)



are many cases where Japanese nationals are harmed overseas. The number of Japanese nationals who received support or protection from the diplomatic missions overseas and the Interchange Association has stayed on a high level. It was 20,387 people with 18,013 cases in 2015<sup>1</sup>.

In order to avoid overseas accidents and troubles, it is important to collect information beforehand. MOFA works to raise the safety awareness of the Japanese public and promote counter-measures by disseminating and sharing information on safety measures.

MOFA issues the latest safety information of each country and area on the Overseas Safety Website. Newly issued information is distributed to Japanese nationals staying overseas who have made Overseas Residential Registrations and short-term travelers who have registered to the “Overseas Travel Registration (‘Tabi-Regi’).” They also receive safety information issued by diplomatic missions overseas. “Tabi-Regi” is also available to those without travel plans, through

simplified registration, and the safety information distributed in this manner is widely utilized by Japanese businesses with overseas operations for their safety measures.

MOFA is also making efforts to enhance the knowledge and capability of the Japanese people concerning safety measures and crisis management through seminars and drills. MOFA hosted domestic safety measures seminars nationwide, and dispatched instructors from the Consular Affairs Bureau to give lectures on safety measures at seminars nationwide conducted by various organizations, associations, etc. MOFA also conducted the “Public-Private Joint Practical Training for Counter-Terrorism and Anti-Kidnapping Measures” with the participation of members of the business community. These efforts not only serve to prevent harm from terrorism, etc., but also contribute to enhance response capabilities in the unfortunate event that someone is caught in an incident.

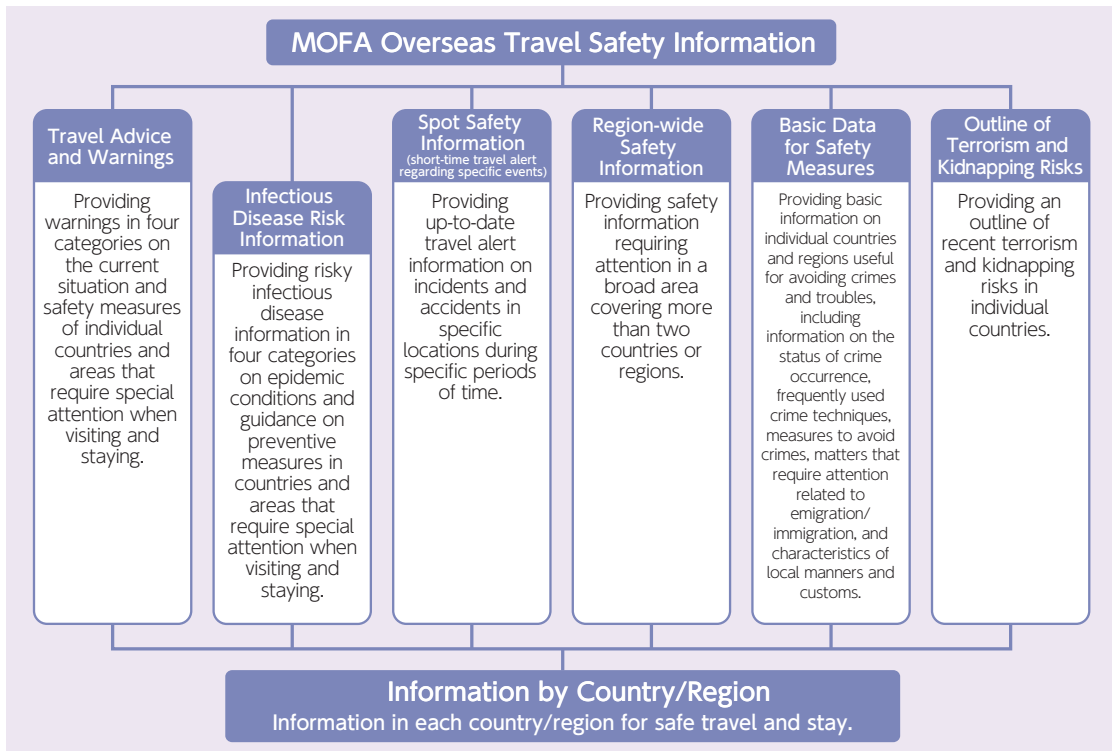
The public and private sectors are also cooperating overseas to take safety

<sup>1</sup> The Statistics on Assistance for Japanese Involved in Accidents and Other Incidents, first published in 1986, is an annual report on the number of cases/people where the diplomatic missions overseas and the Interchange Association provided assistance to Japanese nationals involved in any kind of troubles overseas, such as incidents/accidents, acts of committing crimes and falling victim to crime or disaster.

### Top 20 Diplomatic Missions Overseas in Terms of the Number of Cases of Assistance Provided for Japanese Nationals Overseas (2015)

Ranking	Diplomatic missions overseas	Cases	Ranking	Diplomatic missions overseas	Cases
1	Embassy of Japan in Thailand	1,028	11	Embassy of Japan in the Republic of Korea	326
2	Embassy of Japan in the Philippines	974	12	Embassy of Japan in the People's Republic of China	324
3	Consulate-General of Japan in Shanghai, China	927	13	Consulate-General of Japan in Hong Kong, China	311
4	Consulate-General of Japan in Los Angeles, U.S.	752	14	Consulate-General of Japan in Vancouver, Canada	292
5	Consulate-General of Japan in New York, U.S.	669	15	Embassy of Japan in Italy	291
6	Embassy of Japan in the United Kingdom	591	16	Consulate-General of Japan in San Francisco, U.S.	273
7	Consulate-General of Japan in Honolulu, U.S.	525	17	Consulate-General of Japan in Seattle, U.S.	268
8	Embassy of Japan in France	502	18	Consulate-General of Japan in Hagatna, U.S.	241
9	Consulate-General of Japan in Barcelona, Spain	416	19	Consulate-General of Japan in Boston, U.S.	233
10	Consulate-General of Japan in Düsseldorf, Germany	371	20	Consulate-General of Japan in Houston, U.S.	232

### System and Outline of “Overseas Travel Safety Information”



measures. The diplomatic missions overseas host regular meetings of “Security Consultation and Liaison Committees” with Japanese nationals residing abroad to share information, exchange views and bolster collaboration in preparation for emergencies.

After the July terrorist attack in Dhaka,

MOFA has placed particular focus on international cooperation personnel, small and medium enterprises, students studying abroad, short-term travelers and others who have limited access to information on safety. MOFA has worked to enhance their awareness of safety measures and their response capabilities.

## Column Calling on Golgo 13 ~Overseas Safety Measures for Japanese Businesses~

[quote from *gekiga* graphic novel]

"Mr. Togo, could you give us your help..."

Looking at the man straight in his eyes, the Foreign Minister began to speak as if he'd made up his mind and invited him to sit down with a gesture. The man that he had called Togo remained standing and wordlessly stared back at the Minister.

"...tell me why you need my help."

Tension filled the Minister's room. Otherwise known as Golgo 13, Duke Togo's date of birth, age, and nationality are all unknown. All that is known is that he is a professional who never fails to complete the most difficult missions.

The Minister said with a measure of conviction.

"Mr. Togo, if I had to say, it could be because you are timid. That is the kind of person that we need for this job..."

Duke Togo continued to fix his gaze on the Minister as he resumed his silence. Was he trying to intimidate him, or was this his way of showing gratitude for the "compliment" that had been sent his way? Nobody knew. Then Togo murmured.

"Alright, I'll do it."

Terrorism is no longer limited to the Middle East and Africa as it spreads to Europe and the United States, as well as Asia, where many Japanese are staying. Japanese are now not only being drawn into terrorist attacks but are actually being targeted.

In order to support Japanese businesses, particularly small and medium enterprises that comprise their bulk, on safety measures, the MOFA posts "Golgo13's Security guidelines for Japanese SMEs Abroad" on its website, in which Duke Togo, the main character in the *gekiga* graphic novel series "Golgo 13", describes safety measures. Duke Togo, who has survived for half a century on the frontlines of a turbulent world, is also aware that he is as timid as a rabbit. The safety measures related by such a man is expected to be received by people involved in Japanese businesses with overwhelming impact and credibility.





MOFA hopes that Golgo 13's Guidelines will be useful in enhancing the awareness and capability for "being responsible for your own safety" so that Japanese will not be harmed by any acts of terror. MOFA will continue to contribute to bolstering the safety measures of Japanese businesses people overseas through the effective distribution of information.  
(note: Duke Togo is a fictional character in the *gekiga* graphic novel series "Golgo 13").



Overseas Safety Website (<http://www.anzen.mofa.go.jp/>) (in Japanese)



MOFA "Overseas Travel Registration ("Tabi-Regi")" (<https://www.ezairyu.mofa.go.jp/tabireg/>) (in Japanese)

In order to support Japanese businesses, particularly small and medium enterprises that comprise their bulk, on safety measures, MOFA launched the Overseas Safety Taskforce together with the Japan Chamber of Commerce and Industry (JCCI) in August and the Small and Medium Enterprise Overseas Safety Measures Network, in which organizations related to the overseas activities of Japanese businesses participate, in September. The aim is to share knowhow and information on safety measures with a wide range of people in the business community and to swiftly grasp and resolve concerns and

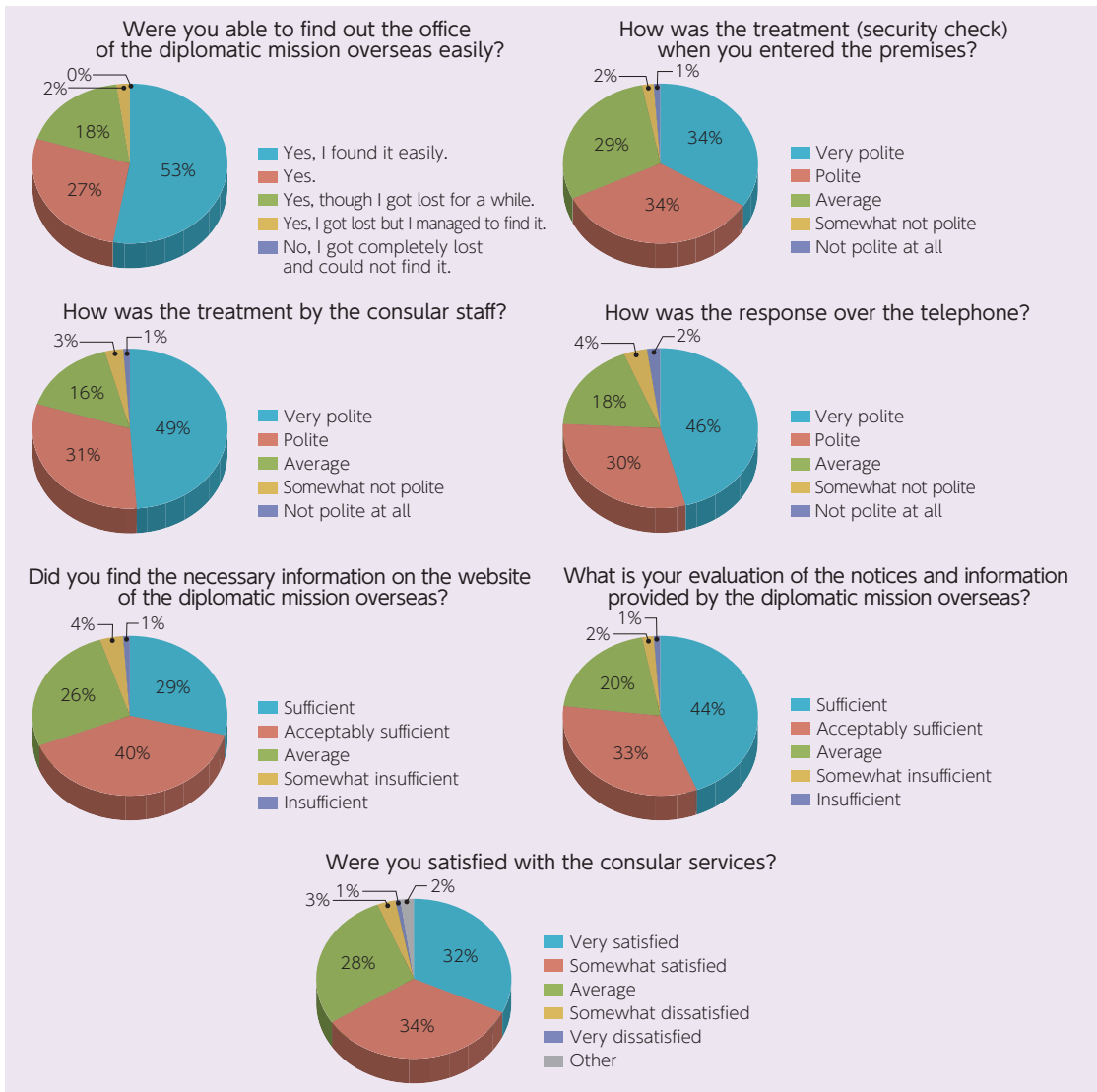


Download is available from MOFA Safety Application in Overseas Safety website "Kaigai Anzen Apuri no Haishin ni Tsuite (Overseas Safety Application Distribution)" ([http://www.anzen.mofa.go.jp/c\\_info/oshirase\\_kaian\\_app.html](http://www.anzen.mofa.go.jp/c_info/oshirase_kaian_app.html)) (in Japanese)

problems they have on security issues. In addition, MOFA has produced "Golgo 13's Security Guidelines for Japanese SMEs abroad", and published them as they are completed (See column "Calling on Golgo 13 -Overseas Safety Measures for Small, Medium and Mid-Sized Enterprises-").

MOFA is working to enhance the awareness of safety measures for Japanese students studying overseas. MOFA sends lecturers to universities and other educational institutions, many of which have insufficient knowhow on safety measures and emergency responses, upon their requests. MOFA is going forward with

## Results of Survey on the Consular Service (2016)



efforts to connect government agencies with educational institutions, overseas study agencies and students by such means as beginning automatic registration to “Overseas Travel Registration (“Tabi-Regi”)” with some overseas study institutions.

As for safety measures for short-term travelers, MOFA is engaged in PR activities to encourage registration under “Overseas Travel Registration (“Tabi-Regi”).” MOFA is aiming at increasing the number of

cumulative registrants to 2.4 million by the summer of 2018. The number of registrants increased from about 61,000 in January 2016 to about 1.49 million by December of the same year.

## 2 Consular Service and Assistance for Japanese Living Overseas

### (1) Improving Consular Service

Aiming at providing good consular

services to Japanese nationals overseas, MOFA conducts a questionnaire survey every year on consular services such as employees' attitudes in over-the-counter services and telephone responses, information provision, and Visiting Consular Service (of which survey is only conducted by the missions offering it.) to reflect the voices of Japanese nationals overseas in order to improve consular services by the diplomatic missions overseas. In 2016, the surveys were conducted by 148 diplomatic missions overseas and received about 19,000 responses. The results showed generally high grade of satisfaction with regard to the consular services provided by the diplomatic missions overseas in general as well as over-the-counter services and phone responses. At the same time, there were negative answers, though few in number. MOFA intends to continue its efforts for improvements listening to the voices of the users so as to provide consular services at the diplomatic missions overseas in line with user needs.

## (2) Issuance of Passports and Prevention of Illicit Acquisition of Passports

Approximately 3.74 million passports were issued in Japan in 2016. As of the end of December 2016, approximately 30.1 million passports are valid, and all of them are ePassports<sup>2</sup>.

The issuance of ePassports is effective for deterring illicit use of passports such as forged or altered passports. However, there continue to be cases of illicit acquisition

of passports by means of impersonation<sup>3</sup>. There were cases where Japanese nationals or illegal foreign residents left and entered Japan using passports bearing the name of another person which had been acquired illegally. Also, passports with false identities were used for borrowing money from financial institutions, opening bank accounts for the purpose of selling them to those who plot to commit other crimes, and subscribing to mobile phone services without the real passport holders knowing it. In order to prevent illicit acquisition of passports that may nurture these secondary or tertiary crimes, MOFA has been making further effort to enhance strict identity examination in issuing a passport, for example, by such means as designating a stringent examination period against illicit acquisition of passports through identity theft at passport offices located in each prefecture.

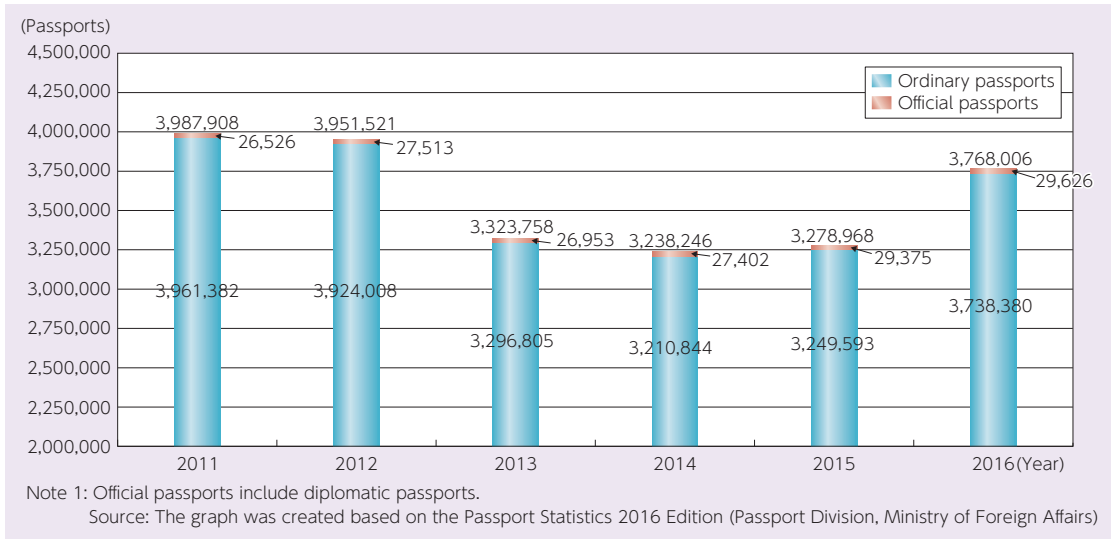
Moreover, while the integrated circuit (IC) chips in Japanese passports contain facial images and other information identifying the passport holders, ePassports with improved security against counterfeiting using biometric information such as fingerprints have become widespread in other countries, and possibilities for more effective use of IC chips are under consideration at the International Civil Aviation Organization (ICAO) and the International Organization for Standardization (ISO).

Consignment of passport-related work from the prefectural governments to city/town offices has been permitted since 2006, such as application and delivery. 818

<sup>2</sup> An electronically enabled machine readable Passport (ePassport) is a passport embedded with an integrated circuit (IC) chip which contains a digitized facial image (biometric information) and other information of the passport holder to prevent passport forgery and its illicit use by a third party. It was first issued in 2006.

<sup>3</sup> The number of illegal acquisitions of passports through identity theft discovered: 54 in 2012, 52 in 2013, 41 in 2014, 31 in 2015, and 22 in 2016.

## Changes in the Number of Issued Passports in Japan



cities/towns had started passport service by the end of 2016, which make up almost 50% of all the cities/towns in Japan.

### (3) Overseas Voting

The overseas voting system allows Japanese voters living overseas to vote in national elections. In the elections after June 2007, it was made possible to vote from overseas for the small electoral district election of the House of Representatives and the electoral district election of the House of Councillors (including by-election and recall election), in addition to voting for the proportional representation segment of elections of the both House. In order to vote from overseas, it is necessary to be registered in advance on the overseas voter directory managed by the election board of the city/town government and to obtain overseas voter identification<sup>4</sup>. Voters with valid overseas voter identification can vote by choosing one of the three methods of

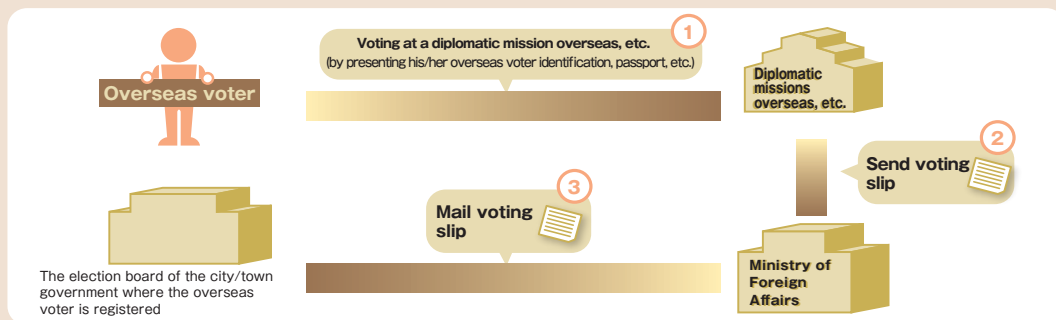
voting, a) Voting at diplomatic missions overseas, b) Voting by mail, or c) voting in Japan.

The diplomatic missions overseas have been making efforts to disseminate the system and to increase the number of registered voters by publicizing this system and carrying out a visiting service for the registration of Japanese nationals living in remote areas. At the 24th regular election of members of the House of Councillors held in July 2016, the first election after the voting age was lowered to 18, personnel from diplomatic missions overseas visited overseas educational institutions that had high school departments to encourage the newly eligibles to register on overseas voter directory and vote.

<sup>4</sup> In December 2016, the Public Offices Election Act was revised to simplify registration application procedures for the overseas voter directory. When the revision comes into effect, it will be possible to apply at the municipal office when transferring overseas in addition to the existing method of applying through a diplomatic mission overseas after transferring overseas.

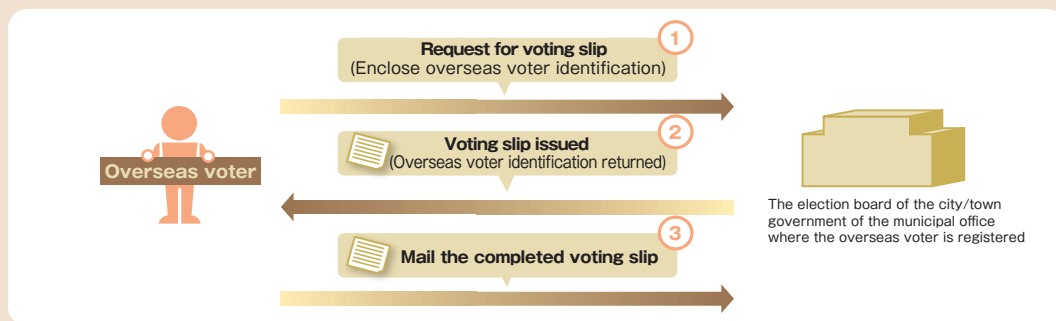
### a Voting at diplomatic missions overseas

Voters registered on an overseas voter directory can vote by presenting their overseas voter identification and ID such as a passport at a diplomatic mission (period and time for voting vary depending on the mission)



### b Voting by mail

A voting slip can be requested by sending his/her overseas voter identification and written request for a voting slip to the chair of the election board of the city/town government where the voter is registered. Completed voting slip needs to arrive at the voting venue before the end of voting time (20:00 Japan time) of the domestic voting day in Japan.



### c Voting in Japan

If overseas voters are temporarily staying in Japan during the election time, or in case voters are not yet registered on a domestic voter directory after their permanent return in Japan, the voter may vote in the same way as other domestic voters with their overseas voter identification for overseas voting (early voting, absentee voting, and voting on the election day).

## (4) Assistance for Japanese Nationals Living and Engaging in Activities Overseas

### A Japanese Schools and Supplementary Education Schools

Education for children is one of the major concerns for Japanese nationals living abroad. In cooperation with the Ministry of Education, Culture, Sports, Science and Technology, MOFA carries out assistance for the Japanese Schools (partial subsidy for school building rental fees, rewards for

locally hired teachers and safety measures expenses) so that the overseas school children at the age of domestic compulsory education can receive education equivalent to that of Japan. MOFA also provides assistance (partial subsidy for school building rental fees and rewards for locally hired teachers) for the Supplementary Education Schools (educational institutions established to maintain children's ability, such as Japanese language ability) mainly in areas where the Japanese Schools are

## Column 150th Anniversary of the Passport ~Passports Past, Present and Future~

150 years ago, on April 7, 1866, the Edo Shogunate lifted the ban on overseas travel by Japanese citizens, issuing an order permitting overseas travel for the purpose of studying and trading regardless of social class. This was 13 years after the Black Ships\* had arrived.

\*The Black Ships, the fleet of the United States Navy Ships, led by Matthew PERRY, that arrived at Japan in 1853 and they demanded the opening of Japan to commerce.

However, issuing passports was an unprecedented task for the Shogunate, which had kept the nation closed for such a long time. The first passport was created with advice from the European and U.S. diplomatic missions that were stationed in Japan at the time, and was issued on October 17 of the same year to Sumidagawa Namigoro, who would lead the "Imperial Japanese Troupe" to perform at the International Exposition in Paris.

The first passports were made of thick A4-sized Japanese paper. They carried descriptions of the passport holder such as height "on the tall side" and nose "on the small side" since photos were not in common use at the time. Namigoro and his troupe folded them in four, tucked them into their bosoms, and set forth for Europe with a Japonism boom.

At the time, the "passport" was called in several terms such as "*gomen no insho*," etc. The term "*ryoken*," or the contemporary word for "passport," was officially used for the first time after the Ministry of Foreign Affairs issued Administrative Order No.1 "Overseas Passport Rules" in 1878.

A resolution was adopted in 1920 at an international conference in Paris to unify the information to be written, photo, effect, size and other items in passports. In 1926, Japan changed the passport from a paper form to a booklet, featuring the emblem of a chrysanthemum, and it became the prototype of the modern passport.

However, overseas travel was not yet common at the time. It was in 1964, in the year of the Tokyo Olympic Games, when restrictions on overseas tourism were lifted, that overseas travel gradually became a familiar part of social life. More than 100,000 passports were issued that year. Currently over 3.7 million passports are issued annually. With the number of effective passports reaching 30



Oldest existing Japanese "passport", issued by the Edo Shogunate in 1866 (Diplomatic Archives of the Ministry of Foreign Affairs of Japan)



The first booklet type Japanese passport in 1926



Basic design of the upcoming Japanese passports (*South Wind, Clear Sky from Thirty-six Views of Mount Fuji*)

million, one in four Japanese holds a passports.

The passport is an international identification certificate, and its history is a history of fighting counterfeits. The passport has evolved over the years as various anti-forgery and anti-counterfeit measures were introduced, including machine-readable passports in 1992 and electronically enabled machine readable passports (ePassports) in 2006.

The current Japanese passport incorporates approximately 20 high-tech features including black and white watermarks and holograms, making the chances of it being forged or counterfeited extremely small. However, most countries renew their passports every few years incorporating new technologies in light of the evolutionary arms race with forgery and counterfeiting technology.

In 2016, it was decided to adopt *Thirty-six Views of Mount Fuji* by Katsushika Hokusai as the design for the visa pages in the upcoming Japanese passport, which is scheduled to be introduced in FY2019. *Thirty-six Views of Mount Fuji*, which features Mt Fuji, the World Heritage site, is a representative example of the *ukiyo-e* woodblock print. The new passport will have the same cover as the current one, but each spread will have a different picture. Having a different design for each page will make the passport that much more difficult to counterfeit.

After 150 years from the birth, the Japanese passports are about to take a new step forward in its history.

not located. In addition, MOFA is further strengthening and expanding assistance related to safety measures in light of the recent changes in the international terrorism situation.

### **B** Medical/Health Measures

In order to provide health advices through consultations to Japanese nationals residing in countries where the medical situation is poor, MOFA dispatches medical teams with the support of domestic medical institutions (one country, seven cities in FY2016). MOFA also dispatches medical specialists to regions where infectious diseases or air pollution become serious, and organizes health and safety lectures (8 countries, 11 cities in FY2016).

In addition, MOFA collects information on infectious diseases outbreak overseas and provides them publicly through the

Overseas Safety Website and the websites and emails of diplomatic missions overseas.

### **C** Other Needs

In order to eliminate the complexity of various procedures for Japanese nationals living overseas (such as converting Japanese driving licenses to country of residence, obtaining residence/work permits) and to make living abroad more comfortable, MOFA continues talks with foreign governments.

When converting driving licenses issued in foreign countries to Japanese driving licenses in Japan, all persons with driving licenses issued in a foreign country can obtain Japanese driving licenses without taking certain examinations (written examination and skill examination) if it is checked and recognized that they should have no problem operating vehicles. On the

other hand, it is mandatory to take driving tests when converting Japanese licenses to local licenses in some countries and states, such as North and South America. MOFA is calling for those countries to simplify the procedures for license conversion as in Japan.

MOFA also supports victims of atomic bomb attacks living overseas in applying for the authorization of Atomic Bomb Diseases and for the issuance of Health Check Certificates, via diplomatic missions.

### 3 Cooperation with Emigrants and Japanese Descendants, Nikkei

The migration of Japanese nationals overseas has a history of 148 years as of 2016. There are estimated 3.6 million overseas Japanese, Nikkei, with especially large numbers residing in the North, Central and South America. They make positive and great contributions to the development of the countries in various fields, including politics, economy, academics and culture, and at the same time, they act as a bridge between Japan and these countries in developing close relations.

Together with the Japan International Cooperation Agency (JICA), MOFA provides cooperation in Central and South America where estimated 2.13 million Japanese descendants live. Various forms of assistance are offered, including welfare support for aging emigrants, training in Japan for Japanese descendants, and dispatch of volunteers to the local Nikkei communities.

Invitation programs for Nikkei leaders in various fields have been carried out in North, Central and South America. Efforts are underway to strengthen relations with

Japanese descendants in these regions. Such efforts include holding conferences between Nikkei leaders and the heads of diplomatic missions overseas to discuss how to enhance bilateral relations and active provision of opportunities for Japanese high-level officials on visits to meet Japanese descendants.

The 57th Convention of the Nikkei and Japanese Abroad was successfully held by the Association of Nikkei and Japanese Abroad in Tokyo in October, in which around 210 emigrants and their descendants from 20 countries participated. As for MOFA, Foreign Minister Kishida held a welcome reception to deepen exchange with emigrants and their descendants. Japan intends to provide support for Japanese emigrants and their descendants, promote cooperation with the young generation and strengthen the bond between these people and Japan.

### 4 The Convention on the Civil Aspects of International Child Abduction (the Hague Convention) and its Implementation

The Hague Convention is designed to ensure prompt return of children who have been wrongfully removed from one contracting state to another. It is based on the idea that the custody (parental authority) of a child, in circumstances such as where the parents' international marriage has failed, should be decided in the state in which the child habitually resided. Furthermore, in order to ensure the opportunity for trans-boundary parent-child access, the Hague Convention stipulates that Contracting States should cooperate for realization of parent-child access.

This convention came into force in Japan



Reference: Number of Applications for Assistance Received by the Minister for Foreign Affairs Based on the Implementation Act of the Hague Convention (as of end-December 2016)

	Application for assistance in child's return	Application for assistance in visitation or contact with child
Application concerning a child (children) in Japan	67	86
Application concerning a child (children) outside Japan	51	25

on April 1, 2014. On the same date, the Act for Implementation of the Convention on the Civil Aspects of International Child Abduction was enacted. As of December 2016, 95 countries including Japan are party to the convention.

The Hague Convention is implemented through mutual cooperation among the governmental agencies designated as the Central Authority in Contracting States to the Convention. In Japan, MOFA assumes the role of the Central Authority. As the Japanese Central Authority, MOFA avails itself of the expertise of experts in various fields to implement the Convention appropriately, and communicates/cooperates with foreign Central Authorities, and provides assistance to the parties such as locating whereabouts of the child and arranging mediation services aimed at amicable resolutions.

In the two years and nine months between the entry into force of the Convention and the end-December 2016, MOFA received a total number of 229 applications: 118 applications seeking the return of the child and 111 applications seeking access to the child. Of these, 14 children returned from another country to Japan. Another 19 returned from Japan to another country. Also, there were many cases where access was secured. Japan is steadily implementing the Convention.

In February 2016, MOFA invited a former German judge, who had worked

to improve the implementation of the Hague Convention in Germany, to Japan to share his expertise with the people who are involved in the Hague cases in Japan. In June, MOFA co-hosted the Asia Pacific Symposium on the 1980 Hague Child Abduction Convention with the Permanent Bureau of the Hague Conference on Private International Law (HCCH) and Waseda University to provide an opportunity to deepen the expertise of the people involved in the implementation of the Hague Convention and bolster the implementation structure. In the Symposium, 64 people from 21 countries and areas, mainly from the Asia-Pacific region, participated in lively discussions (See column "Taking part in the Asia Pacific Symposium on the 1980 Hague Child Abduction Convention").

MOFA is also putting effort into public communication activities such as conducting seminars at diplomatic missions overseas or at domestic local governments, related organizations, etc. and distributing leaflets in multiple languages.

**Column** **Participating in the Asia Pacific Symposium on the 1980 Hague Child Abduction Convention****Fumiaki Isogae, Attorney-at-law**

---

On June 29 and 30, 2016, MOFA, Waseda University, and the Permanent Bureau of the Hague Conference on Private International Law (HCCH) co-hosted the two-day Asia Pacific Symposium on the 1980 Hague Child Abduction Convention. I co-chaired a closed session to which representatives from Asian countries were invited to discuss various issues concerning the Hague Convention.

In the closed session, the participants were divided into four groups, and each group discussed four subjects, (1) State of habitual residence and rights of custody, (2) "Grave Risk" set forth in the Article 13(l)(b), (3) the Enforcement of Return Order, and (4) Time Frame, in 90 minutes for each subject. Each group remained in their respective rooms, while the moderators responsible for the respective subjects circulated between the groups. I moderated subject (1) with Justice Victoria Bennett of the Family Court of Australia.

I was a "co-moderator", but Justice Bennett actually ran the sessions, giving easy-to-understand explanations based on her long experience, while I learned a lot next to her. Although the session used hypothetical cases prepared by the organizer, it was highly appropriate and ignited an active exchange of views in each group. Many of the representatives from non-Contracting States were not very familiar with the Convention, but I felt that they obtained a good grasp of the main issues under the Convention in an efficient manner through the sessions.

The session continued into the morning of the second day. The afternoon was devoted to a mock Hague mediation by Japanese lawyers and mediators. When I asked later, they told me that they had used a script created painstakingly by themselves from their experiences. After the mediation drew to a close, the "actors" took questions from the audience. Some overseas participants expressed a little surprise at the fact that judges engage directly in the in-court mediation in Japan. Pros and cons aside, I believe that we were able to show the world the distinctive features of Japanese in-court mediation.

Japan has been accumulating practical experience bit by bit since the entry into force of the Convention in April 2014. It certainly cannot be said that everything is going smoothly, and I sometimes become aware of challenges as I work on actual cases. Still, I feel that it is very important to present and share this experience worldwide, particularly in Asia, where many countries are still not parties to the Convention, in order to increase the number of Contracting States.

I hope that the representatives who participated in the symposium will return home and become the cornerstones for increasing the membership of the Convention.



## Section 3

## Diplomacy with the Support of the Public

## Overview

**(Proactive Communications to the Public)**

Public understanding and support are indispensable for the smooth implementation of Japan's foreign policy. As such, providing prompt and clear explanations on the policy details and on the role of government is crucial. Accordingly, the Ministry of Foreign Affairs (MOFA) is committed to enhancing the structure of public relations, using all forms of media, lectures, and publications in an agile and effective manner.

To provide information in a timely fashion, regular press conferences are conducted by the Minister for Foreign Affairs and the Press Secretary, while extraordinary press conferences are held as necessary. MOFA releases statements by the Minister for Foreign Affairs or Press Secretary announcing the stance of the Government of Japan on specific issues, and issues press releases that provide information on MOFA's activities. In addition, the Minister, State Ministers, and Parliamentary Vice-Ministers explain the Government's foreign policies directly to the public through appearances on TV and other means. MOFA also assists in facilitating reporting

activities of the diplomatic events.

MOFA's official website swiftly distributes information about diplomatic activities of the Prime Minister and the Foreign Minister, and provides the latest and basic information on Japan's foreign policy and international affairs. MOFA also communicates through various social media platforms including Facebook, Twitter and YouTube.

MOFA organizes speeches by the Minister for Foreign Affairs to promote public relations through dialogue with Japanese nationals and also holds various lectures by its officials at international exchange organizations, universities and high schools nationwide to promote understanding of Japan's foreign policy and the international situation, as well as to cultivate the next generation of Japanese leaders. Moreover, MOFA strives to improve two-way communication with the public through such public consultation initiatives as receiving comments and opinions on its official website.

**(Declassification of Diplomatic Records)**

To further enhance the public understanding of and confidence in Japan's foreign policy, MOFA established the "Committee for the Promotion of

the Declassification of the Diplomatic Records” and is actively engaging itself in the smooth transfer of records and in their declassification. In addition, MOFA has been engaged in efforts to facilitate the public use of the diplomatic documents in accordance with the Public Records and Archives Management Act.

### **(Strengthening Foreign Policy Implementation Structure)**

Amid rising number of the diverse diplomatic challenges, it is vital to strengthen the foreign policy implementation structure, which is the basis of diplomacy. MOFA is continuing its efforts to strengthen the foreign policy implementation structure, while allocating its limited resources to high priority areas in order to promote flexible diplomacy that can respond appropriately to the changes in both domestic and international situations.

With regard to the diplomatic missions overseas, which are overseas bases for Japanese diplomacy, MOFA established Embassies in four countries in January 2017: Samoa, Albania, Former Yugoslav Republic of Macedonia (FYROM), and Mauritius. MOFA also established a Consulate-General in Bengaluru (India) in January 2017. However, the number of the diplomatic missions overseas remains smaller than those of other major countries. MOFA is therefore committed to strategically improving this situation.

The number of staff members at MOFA is relatively small compared to that of other major countries. In addition to the establishment of more diplomatic missions overseas, in order to better respond to the complex international challenges and make international contributions

comparable to other major countries, it is necessary to further increase the number of staff members. At the same time, the training system for staff members should be strengthened to improve the practical knowledge, capability, and foreign language ability of each individual diplomat as well as the enhancement of public relations skills through them. MOFA continues its efforts to ensure the necessary foreign policy implementation structure while further streamlining its organization.

MOFA included 714.0 billion yen in the budget for FY2016 to support the foreign policy implementation structure as well as promote diplomacy on the basis of Proactive Contribution to Peace as the chair country of the G7, as well as one of the non-permanent members of the UN Security Council.

### **(Role of Intellectuals in Diplomacy)**

As is referred to in the National Security Strategy, expanding the intellectual base for Japan's diplomacy and security and promoting diplomacy that involves a broad range of people will lead to a strengthening of Japan's diplomatic power in the middle to long-term. Therefore, MOFA will deepen interaction with think tanks in the diplomacy and security fields, strengthen their development and reinforce support, and actively make use of the insights of private sector intellectuals.

## **1 Proactive Communications to the Public**

### **(1) Information Provision through Domestic Media**

MOFA has committed itself to appropriate information provision through



A regular press conference by Foreign Minister (MOFA, Tokyo)

### Dissemination of Information through Press Conferences

Minister for Foreign Affairs	140 times
State Minister for Foreign Affairs	1 time
Press Secretary	22 times
<b>Total</b>	<b>163 times</b>

\*From January 1 to December 31, 2016 Text posted MOFA website

### Dissemination of Information through Documents

Statements by the Minister for Foreign Affairs	19 times
Statements by Press Secretary	50 times
Press releases by the Ministry of Foreign Affairs	1,368 times
<b>Total</b>	<b>1,437 times</b>

\*From January 1 to December 31, 2016 Counted by MOFA

various media, such as newspapers, television and the Internet in order to gain the understanding and support of Japanese nationals for Japan's foreign policy. The press conferences of the Foreign Minister are open to various media including Internet media and the records and videos of the press conferences are posted on the website of MOFA. On the occasion of overseas visits by the Prime Minister or the Foreign Minister, information is sent from the visited countries so that the people can easily trace and understand the processes and outcomes. In addition, MOFA carries out information provision and cooperation

for media coverage in various forms, which include distribution of information by documents such as MOFA press releases, transmission of information on foreign policy using email newsletters, provision of information on foreign policy to local media, and interviews of high-level officials of MOFA by newspapers of their respective hometowns.

When factual errors and insufficient information are reported by the media, MOFA will submit an appeal for correction when it is deemed necessary and will contribute its views or post its views on the website of MOFA upon announcement at a press conference. These are all efforts to gain an accurate understanding of Japan's approach and stance domestically and internationally.

### (2) Information Provision through the Internet

MOFA actively works on provision of information through the Internet using websites and social media in order to garner understanding and support for Japan's foreign policy from Japanese nationals and the international community.

MOFA's Japanese website swiftly distributes information about diplomatic activities of the Prime Minister and the Foreign Minister, and provides the latest news on such as Japan's foreign policy and international affairs. Furthermore, MOFA posts a wide range of contents including "Easy Ways to Understand International Situations," which explains international situations in simple ways, and "MOFA for Kids" for the students of elementary and junior/senior-high schools.

Regarding MOFA's English website as an important tool for public diplomacy,



MOFA's website



Official Facebook of MOFA



MOFA for Kids

MOFA has enhanced the function of sending messages in English pertaining to Japan's foreign policies, Japan's positions on international affairs and the varied attractiveness of Japan. Information is also available through the websites of Japanese embassies and consulates general overseas in local languages.

With regard to provision of information through social media, MOFA uses Facebook and Twitter, as well as YouTube.

### (3) Dialogue with Japanese Nationals

MOFA promotes "Public Relations through Dialogue with Japanese Nationals" to provide the people of Japan with an opportunity to directly talk to the Foreign Minister and its officials.

As a part of such opportunities, MOFA holds "Talk to the Minister" to give explanations on Japan's foreign policies and the principles and other themes in which the people have much interest and give candid answers to the questions and opinions of the participants. In November 2016, Foreign Minister Kishida visited Miyagi Prefecture as part of the new initiative "Local to Global" Project and held the symposium "Dialogue with Foreign Minister Fumio Kishida: Delivering a Message to the World about the Attractiveness and the Strong Recovery of Tohoku," which featured a keynote speech by Foreign Minister Kishida and a panel discussion.

MOFA is committed to using various occasions to promote understanding of foreign policies and international affairs. For instance, MOFA organizes lectures by its officials at international exchange organizations, universities and high schools

#### Number of Lectures on Various Topics Offered by the Ministry and the Number of Visits to the Ministry by Elementary and Junior/Senior-High School Students

Lecture on the International Situations	17 times
Diplomatic Talk	59 times
Talk for High school	115 times
Visits by elementary and junior and senior-high school students to the Ministry	122 times

(\*From January 1 to December 31, 2016)



Visit by Foreign Minister Kishida to Miyagi Prefecture under the "Local to Global" Project (November 23, Miyagi Prefecture)



Lecture on the International Situation (June 10, Bandai Community Hall, Niigata Prefecture)

throughout Japan, through "Lecture on the International Situation," "Diplomatic Talks," and "Talks for High School Programs." It also holds the "International Issue Presentation Contest" for university students and debate sessions between university students and young officials of the ministry through "Dialogue with Students," as well as providing opportunities for young students to visit MOFA ("Visits by elementary, junior and senior-high school students to MOFA.").

Moreover, Japan's ODA policies and specific measures are introduced to the public through various symposia, lectures and "ODA Delivery Lectures" for which officials from MOFA are dispatched to schools, etc. (28 lectures in 2016).

MOFA issues the journal "Diplomacy" with the aim of raising people's interest in diplomacy through active discussions on



Visits by elementary, junior and senior-high school students to MOFA: Meeting between the members of the *Mezase Komura Jutaro Juku* (The School for Aspirants to Become the Next Jutaro Komura) organized by the Nichinan City Board of Education, Miyazaki Prefecture, and Parliamentary Vice-Minister for Foreign Affairs Takei (August 23, MOFA, Tokyo)



Journal on foreign affairs entitled "Diplomacy"

#### Number of Public Opinion Communications

By e-mail	83,292 times
By phone	6,689 times
By fax / letter	1,213 times

(\*From January 1 to December 31, 2016)

foreign policies from a wide range of opinion leaders, including scholars, journalists and NGOs. In 2016, it featured the G7 Ise-Shima Summit, the 6th Tokyo International Conference on African Development (TICAD VI), the U.S. presidential election and a variety of other diplomatic events and issues, publishing a large number of papers by famous experts from Japan and abroad, among others.

Moreover, in order to promote further understanding on the organizational structure and foreign policies of MOFA, various pamphlets that explain them in an

understandable manner were released. In particular, for the G7 Ise-Shima Summit, public communication aimed at the Japanese people from all walks of life was conducted including the release of pamphlets before and after the meetings, construction of a summit website, and the installment of a public communication booth at the State Guest House, Akasaka Palace. In addition to the above, MOFA surveys public opinion through various forms of media, including the website of MOFA, the website of Prime Minister of Japan and His Cabinet, and the electronic governmental Public Comment Procedure (“e-Gov”), as well as through telephone calls, fax messages and letters. Opinions and comments gathered from the public are shared throughout MOFA and used as a reference in policy making and planning.

#### (4) The Promotion of the Declassification of Diplomatic Records and the Information Disclosure

MOFA has voluntarily declassified its diplomatic records at the Diplomatic Archives since 1976. The Rules on the Declassification of Diplomatic Records, which were established in May 2010, stipulates: (1) declassification of diplomatic documents created more than 30 years ago in principle and (2) the establishment of the “Committee for the Promotion of the Declassification of the Diplomatic Records” which is chaired by parliamentary Vice-Minister for Foreign Affairs as well as attended by external experts, to further promote the declassification of diplomatic records and improve its transparency. The number of files which has been transferred to the Diplomatic Archives and made

public more since May 2010 reached approximately 28,000 by the end of 2016.

Furthermore, MOFA discloses information pursuant to the Act on Access to Information Held by Administrative Organs while giving considerations to the national security, the relationship of mutual trust with other countries, the impacts on diplomatic negotiations, and the protection of personal information. In 2016, MOFA received 543 requests for disclosure, and the documents totaling 166,794 pages were disclosed.

## 2 Strengthening Foreign Policy Implementation Structure

While the security environment surrounding Japan has become increasingly severe, and diplomatic challenges are diversifying, Japan's foreign policy implementation structure is not sufficient compared to other major countries. As the host country of Tokyo 2020 Olympic and Paralympic Games, it is necessary to enhance the foreign policy implementation structure so that it will be equivalent to that of major countries. Under such recognition, MOFA is enhancing overseas diplomatic missions such as Embassies and Consulates General, advancing restructuring of the Ministry as well as developing personnel structure.

Diplomatic missions overseas, such as Embassies and Consulates General, not only represent Japan but also play a key role in diplomatic areas, such as information gathering on the diplomatic frontline, provision of information to the public overseas, promotion of diplomatic relations, and international contribution. At the same time, they are also responsible



## Column Messaging through the Foreign Media at the G7 Ise-Shima Summit

As the whole world turned its eyes to the G7 Ise-Shima Summit, the Government of Japan communicated a wide range of messages to the world through direct communication by Prime Minister Abe, Presidency briefings, foreign journalist invitation programs and press tours.

Prime Minister Abe contributed an article to the Wall Street Journal before the Summit. The Presidency press conference held by Prime Minister Abe at the end of the Summit was aired by major media outlets including NHK, CNN and the BBC.

During the Summit, at the International Media Center (IMC), MOFA communicated actively and thoroughly to foreign media through initiatives such as six Presidency briefings on the content of each session by the Press Secretary for Foreign Affairs.

In addition to the discussions at the Summit, MOFA conducted pre-Summit press tours to Hiroshima Prefecture and Mie Prefecture for foreign media and also invited overseas reporters and TV production teams in order to showcase the attractiveness of Japan, such as Japan's natural surroundings, society, and traditional culture to the world. These efforts led to coverage by the British and Italian media of Ise-Shima's natural beauty and the local traditional fishing of *ama* female divers. MOFA also invited 11 reporters from 11 countries including India, the Philippines, Malaysia, Bangladesh and Papua New Guinea, and two TV production teams, who covered high-quality infrastructure, health, and women's empowerment, which were key agenda items at the Summit.

Through these efforts, the appeal of Japan, including its culture and initiatives, was conveyed broadly worldwide. These initiatives were not only covered by major media outlets in G7 member countries, but also through media outlets in Asia, Africa, the Middle East and elsewhere.

For the G7 Hiroshima Foreign Ministers' Meeting, Foreign Minister Kishida made contribution articles in the media outlets of four countries, including *Le Figaro* of France. This was to communicate to the world that the G7 would take the lead in addressing issues faced by the international community including initiatives towards "a world without nuclear weapons." The image of G7 foreign ministers laying wreaths at the Cenotaph for Atomic Bomb Victims in the Hiroshima Peace Memorial Park was reported by media worldwide.



Presidency press conference by Prime Minister Abe (May 27, Mie Prefecture)



Presidency briefing at the G7 Hiroshima Foreign Ministers' Meeting



Invited journalists covering *ama* traditional female divers



Presidency Briefing



International Media Center

for operations directly related to the improvement of benefits for Japanese nationals, such as protecting their lives and safety, providing support for Japanese companies, promoting investment and tourism, and securing energy and other resources.

In January 2017, Japan established Embassies in four countries: Samoa, Albania, the Former Yugoslav Republic of Macedonia (FYROM), and Mauritius. MOFA also established a Consulate-General in Bengaluru (India) in January 2017. The establishment of the five diplomatic missions overseas in these five countries is significant for Japan in terms of the following viewpoints.

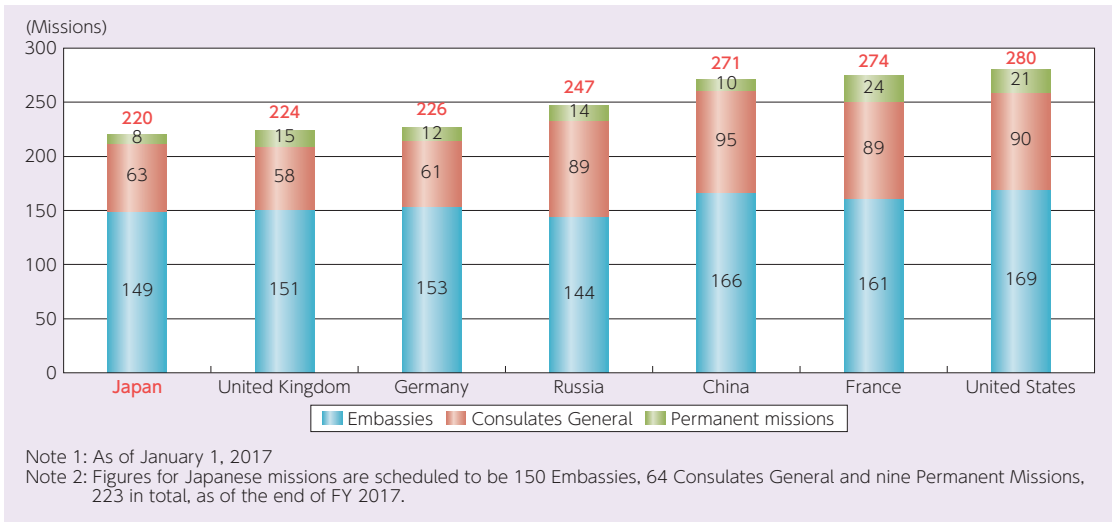
Samoa is one of the major countries in the region with the largest population in the Polynesian region. Samoa has the Secretariat of the Pacific Regional Environment Programme (SPREP), along with the regional offices of the Food and Agriculture Organization of the UN

(FAO) and the UN Educational, Scientific and Cultural Organization (UNESCO). Thus, Samoa is important as the center of information gathering and strategic communication in the region. It is also an important country for Japan, as it has been supporting the Japanese position in the international arena to date, among other matters.

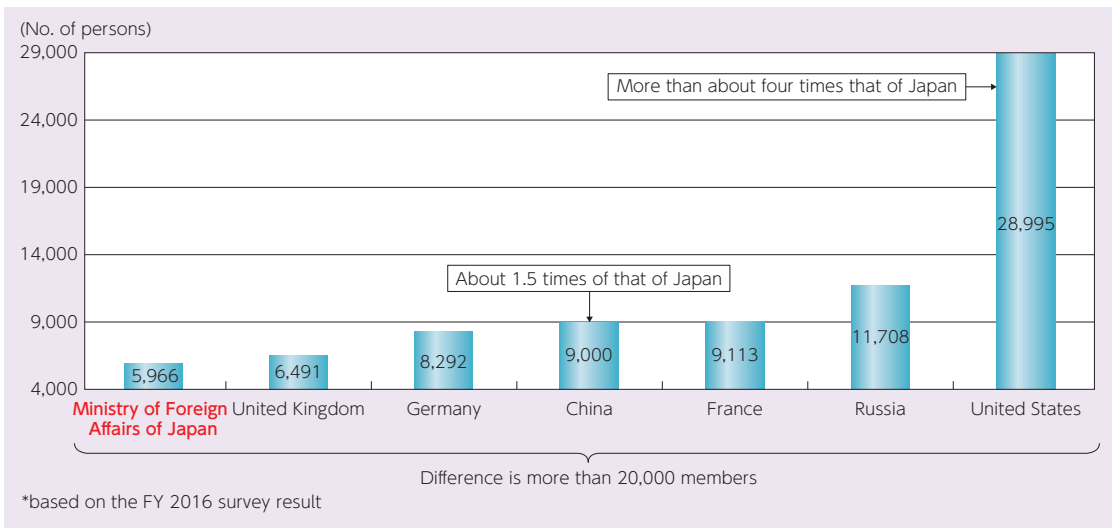
Albania is the base for Albanians, who widely live in the southern part of the West Balkans (with a total population of approximately six million). Albania has an important role in the stability and development of the region. The strong impact of Albanian immigrants (approximately 3.5 million people) in Europe and the U.S. and rich mineral resources also give significance to the country.

After independence, the Former Yugoslav Republic of Macedonia (FYROM) continues reform efforts, aiming at joining the EU and NATO. Strengthening the relationship with the FYROM is an important context for

Comparison of the Number of Diplomatic Missions of Japan with Major Countries



Comparison of Number of Staff Members At Ministries of Foreign Affairs in Major Countries



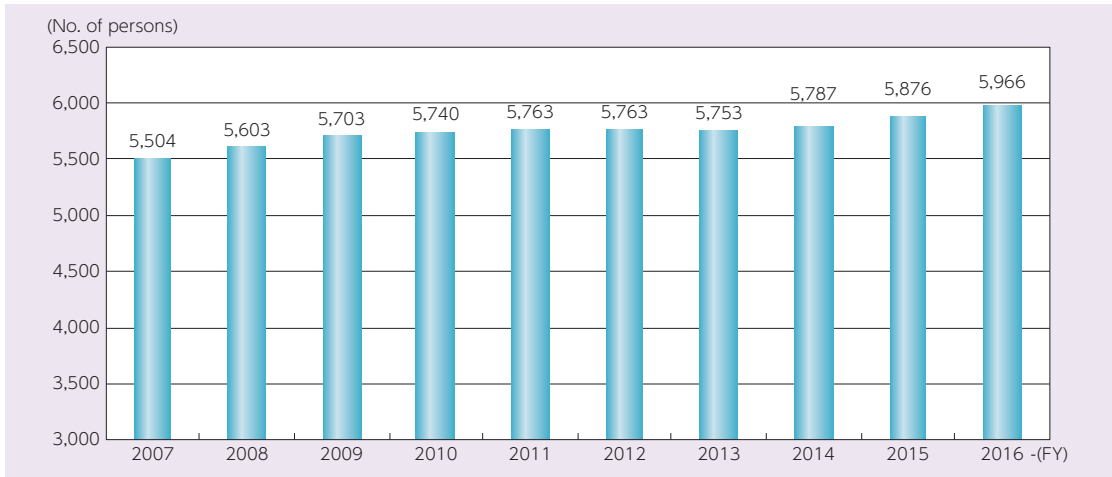
Japan in order to strengthen relations with the EU and NATO. Japan is also one of the biggest donor countries to the FYROM.

Mauritius is a stable democratic country with a good business environment. In the future, it is estimated that the country will be a hub of information and people from abroad as a relay point for investments in Africa, so a potential for Japanese economic activities is expected.

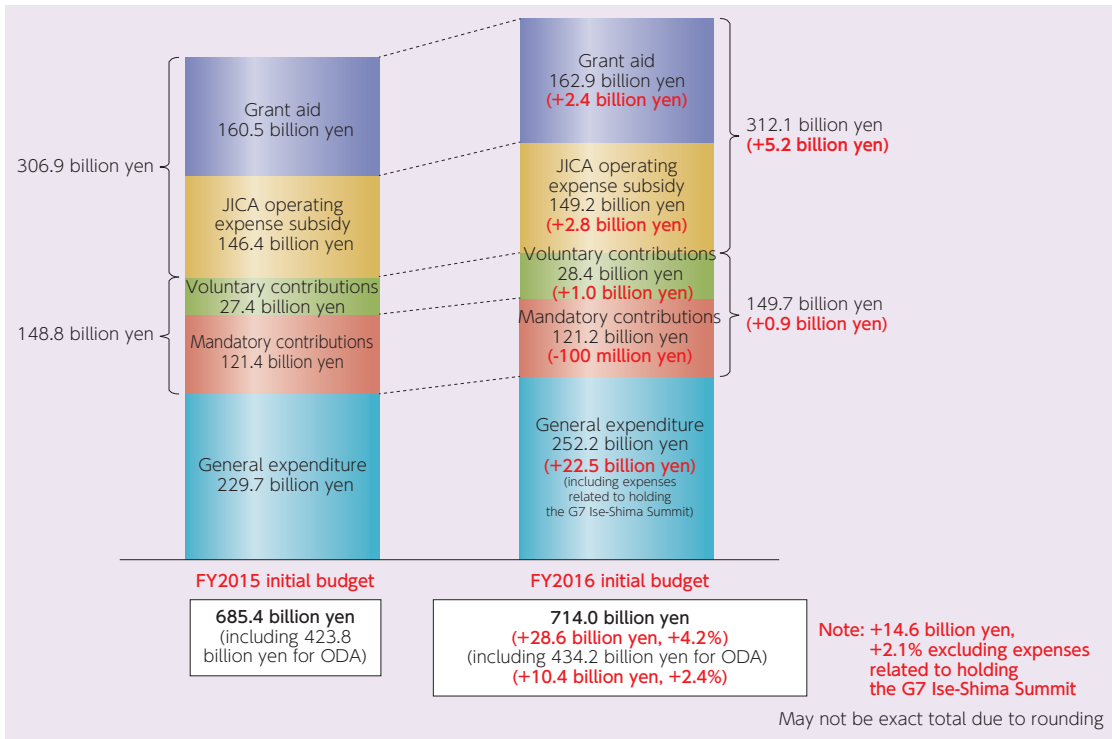
Bengaluru (India) is the center of India’s rapidly growing IT industry. The numbers of Japanese nationals and companies in the region are growing rapidly, giving rise to the need for building a structure which constantly provides Japanese nationals and companies in the region with swift and thorough protection, as well as consulate and corporate support services.

As of FY2016, the number of the

Number of Staff Members at MOFA



Comparison of the initial budget FY2016 with the initial budget of FY2015



diplomatic missions overseas<sup>1</sup> is 220 (149 Embassies, 63 Consulates General and eight Permanent Missions). The number is still fewer than that of other major countries

such as the U.S. (280 missions) and China (270 missions).

In FY2017, to further strengthen the foreign policy implementation structure,

<sup>1</sup> Diplomatic missions that have a physical office with one or more full-time employees

Japan will establish an Embassy in Cyprus.

Cyprus is an EU member state, but it is close to the Middle East. Its geopolitical significance has been growing in recent years as the result of such factors as the destabilization of the state of affairs in the Middle East and the flow of refugees into Europe. Moreover, timely information gathering and local response is necessary since it may serve as a destination for evacuation in the case of an emergency in the Middle East or Africa.

Japan also plans to establish a new Consulate-General in Recife, in Northeast Brazil, which has gained increasing importance in the Brazilian economy. The region to be under the jurisdiction of the Consulate-General is home to approximately 180,000 Japanese immigrants and descendants, or *Nikkei*, and is an important region for strengthening ties with the *Nikkei* community, which Japan attaches importance. Japan also plans to establish a Permanent Mission of Japan to the African Union (AU) in Addis Ababa (Ethiopia). It is from the view that Japan places great importance on strengthening relations with the African Union Commission (AUC), the executive organ of AU, and also with the respective African countries to further promote support for the development of Africa through the Tokyo International Conference on African Development (TICAD) and efforts regarding important policy issues such as UN Security Council reform.

In addition to the establishment of more diplomatic missions overseas, it is important to secure and increase the number of staff members to support diplomacy at the diplomatic missions overseas and MOFA. As for the number of staff members,

given the government's policy to reduce the overall personnel expenses across all ministries in the light of the current severe budget situation, MOFA set the number of staff members to be 5,966 in consideration of the importance of strengthening the foreign policy implementation structure including bolstering safety measures, the implementation of "Japan's foreign policy that takes a panoramic perspective of the world map" and the promotion of economic diplomacy, as well as the result of bolstering the International Counter-Terrorism Intelligence Collection Unit established in MOFA. This number is, however, still insufficient, when compared to that of other major countries. MOFA continues efforts to build a structure suitable for our national power and diplomatic policy. In the meantime, based on the understanding that enhancing the foreign policy implementation structure remains necessary in FY2017, MOFA plans to increase its staff members by 99 persons in order to address important issues such as bolstering safety measures for Japanese nationals overseas and strengthening the functions for gathering terror-related information, further expansion of the "Proactive Contribution to Peace" initiative, and promotion of economic diplomacy and supporting the overseas activities of Japanese nationals, as well as strategic provision of information.

MOFA appropriated a budget of 714.0 billion yen in the budget for FY2016 (an increase of 4.2% from FY2015) to support the foreign policy implementation structure and as the G7 presidency and non-permanent member of the UN Security Council to further strengthen the "Japan's foreign policy that takes a

panoramic perspective of the world map” under “Proactive Contribution to Peace” based on the principle of international cooperation. The total amount of MOFA’s FY2016 supplementary budget was 193.5 billion yen, with 25.0 billion yen being budgeted as an economic measure for bolstering safety measures for Japanese nationals abroad, full response to risks from the UK leaving the EU and for supporting overseas development of infrastructure, etc. A budget totaling 168.5 billion yen was allocated as additional financial demand for humanitarian/ counter-terrorism/ society stabilization assistance, including measures to solve refugee issues, and support for responses to global issues including natural disasters and infectious diseases. By identifying the following key issues and to significantly strengthen the foreign policy implementation structure and further expand ODA that contributes to the national interest to undertake such issues, MOFA’s FY2017 initial government budget proposal appropriated 692.6 billion yen: (1) safety measures against terrorism and other threats for Japanese nationals abroad and within Japan, (2) dealing with and increasingly opaque international state of affairs, (3) diplomatic efforts to propel the Japanese economy including the regions, and (4) strategic communication.

In order to promote Japan’s national interests, it is essential to strengthen the foreign policy implementation structure. Japan will strategically continue to proceed enhancement of foreign policy implementation structure, so that it will be equivalent to that of other major countries, while further streamlining the structure itself.

### 3 Role of Intellectuals, etc. in Diplomacy

In building a future international order in the drastically changing world, it is becoming more apparent that experts from the private sector can take the initiative in freely conducting policy discussions on a global scale without being bound by the official views of governments, which in return have an impact on the world’s opinion, as well as on the policy decisions of each government.

Some of the examples include World Economic Forum (Davos), which has a large influence on the international economic policies of each country, and the Shangri-La Dialogue, which provides prominent experts and ministers of the world with an opportunity to discuss Asian security issues. There is an ever increasing importance to develop human resources of think tanks (study and research institutions) to take part in such discussion arena and to utilize experts of universities and other organizations in major countries.

In order to strengthen Japan’s diplomatic power in the medium- to long-term by expanding the intellectual base on Japan’s diplomacy and security and promoting



Policy Forum toward the G7 Ise-Shima Summit: Changes and Challenges (May 12, Tokyo)

diplomacy that involves a broad range of people, MOFA launched a subsidy scheme for study/research on foreign policy and security in FY2013 which aims to enhance think tank's abilities to collect/analyze/release information and to make policy recommendations. The outcomes of the study and research have been used for foreign policy planning. The subsidy scheme continued to be implemented in FY2016.

In 2016, experts' meetings were held including the one in May in the run-up to the G7 Ise-Shima Summit under Japan's presidency, and had lively discussions among experts.