

## Overview

### (The Importance of Europe)

The European Union (EU), composed of 28 member states, is pursuing common policies across a broad spectrum of fields that range from diplomacy to security, economy, and state finance. The EU, among which are permanent members of the United Nations Security Council, G7 member states, and other member states of major international frameworks, plays a major role in formulating standards in the international community. In economic terms, the EU accounts for roughly 22% of global gross domestic product (GDP) and has considerable influence on international public opinion due to its languages, history, cultural and artistic activities, and prominent media groups and think tanks, among other things. Although the effects of Brexit, for which negotiations are currently taking place, will need to be continuously monitored, Europe will remain an important region even after the UK withdraws from the EU.

### (Issues Faced by Europe)

For Europe, 2017 was a year of rising out

of former crises and achieving moderate economic growth, and of making a certain measure of progress towards problems the region faces - progress that included a significant drop in numbers of immigrants and refugees entering the region. At the same time, due to factors such as continued levels of high debt and the unemployment rate in southern European countries, no improvement was made in closing the economic gap between northern and southern Europe. In addition, certain Eastern European countries are reacting against the EU's immigration and refugee policies, while the entire region faces rampant terrorist attacks, cyber attacks, and other such hybrid threats that involve multiple means of attack. The Ukrainian crisis also remains a critical issue for Europe as it has serious implications for Europe's security environment. Furthermore, the UK and the EU have currently been conducting Brexit negotiations. Thus, how to address problems within Europe is an important issue for the EU.

European countries and the EU are therefore stepping up collaborative efforts towards problems concerning immigrants, refugees, terrorism and security including

those approached through NATO, while making efforts to maintain and strengthen alliances with the United States. Along with security-related cooperation through efforts that include establishment of the Permanent Structured Cooperation (PESCO), a defense cooperation framework under the Treaty on European Union, EU member states are having discussions on a new trajectory for European integration to coincide with the 60 year anniversary of the Treaty of Rome<sup>1</sup>.

Meanwhile, European countries are facing the rise of populism due to the rise of voters' discontent towards political establishments in the EU and its member states. Populist parties demonstrated a certain level of influence in the national elections held in France, the UK, Germany, and other European countries in 2017, and such impacts on the European situations needs to be continuously monitored.

### (The Threat of Terrorism)

Frequent indiscriminate terrorist attacks in Europe remain a threat. A terrorist attack in London (UK) in March was followed by an April attack in Stockholm (Sweden), a May attack in Manchester (UK), August attacks in Turku (Finland) and Barcelona (Spain), and another terrorist attack again in London in September, respectively. Consequently, there is a pressing need for EU member states to formulate domestic legislation in accordance with a directive of the European Parliament and of the Council on combating terrorism adopted by the European Parliament on February 16.

### (Diplomatic Relations with Europe)

In sharing fundamental values and principles concerning things such as freedom, democracy, human rights, and the rule of law, Japan and Europe are strengthening ties based on a strong commitment to maintaining and bolstering a free and open international order. Japan strengthened cooperation with European countries that have leadership roles in the international community, such as Italy and Germany, the chair countries of G7 and G20 respectively, towards maintaining and advancing a free and open international order at the top level. Prime Minister Abe visited Germany, France, Belgium (EU), and Italy in March, followed by the visits to Russia and the UK in May. Prime Minister Abe had rounds of talks with these G7 members for the G7 Summit in Taormina, Italy, which he attended at the end of May. After that, he visited Malta as the first Japanese Prime Minister to visit there. He also visited Hamburg, Germany to attend the G20 Summit at the beginning of July. On that occasion, he visited Belgium (the EU and NATO), Sweden, Finland, and Denmark as well. These were followed by his visits to Estonia, Latvia, Lithuania, Bulgaria, Serbia, and Romania in January 2018. Foreign Minister Kishida visited France, the Czech Republic, and Ireland at the very beginning of the year, followed by his visits to Bonn, Germany for the G20 Foreign Ministers' Meeting in February, and to Lucca, Italy for the G7 Foreign Ministers' Meeting in April. During these visits, Foreign Minister Kishida also visited Belgium in July and reached an agreement in principle of the Japan-EU Economic

<sup>1</sup> Treaty establishing the European Economic Community (EEC) and treaty establishing the European Atomic Energy Community (EUR-ATOM). These were signed by Belgium, France, Italy, Luxembourg, the Netherlands, and West Germany in 1957.

Partnership Agreement (EPA). To coincide with the 72nd Session of the UN General Assembly, Foreign Minister Kono held the Foreign Ministers' Meeting with the EU and European countries in September. Then in December he visited France to attend the One Planet Summit and the UK to attend the Third Japan-UK Foreign and Defense Ministerial Meeting ("2+2").

These quite frequent ministerial-level and top-level mutual visits led to strengthened trust-based relationships between ministers and heads of state, promoted a better understanding among European countries concerning Japan's standpoint and efforts on subjects such as security, economy, regional affairs, and global issues, and saw progress made with specific cooperative initiatives between Japan and Europe. In addition to bilateral cooperation with European countries, Japan has also been working with the Asia-Europe Meeting (ASEM) and regional organizations such as the EU, NATO, and the Organization for Security and Co-operation in Europe (OSCE) to further strengthen collaborative relations between Europe and democratic nations in Asia. At the same time, Japan has been working towards better collaboration



Prime Minister Abe shaking hands with Secretary General of NATO Stoltenberg (October 31, Tokyo; Photo: Cabinet Public Relations Office)

with regional frameworks within Europe that include "V4 (the Czech Republic, Hungary, Poland and Slovakia) + Japan," "NB8 (8 Nordic and Baltic countries) + Japan," and "GUAM (Georgia, Ukraine, Azerbaijan, and Moldova) + Japan." Japan also proposed to launch the Japan-Baltic Cooperation Dialogue and the "Western Balkans Cooperation Initiative" as part of efforts to advance comprehensive and multi-tiered relationships with Europe.

In the field of security, for instance, concrete cooperation has been advanced with the UK, France, and Italy. With respect to collaboration with NATO, Secretary General of NATO Stoltenberg visited Japan in October where leaders agreed to further strengthen cooperation between Japan and NATO and among Japan, the U.S., and Europe.

In addition to the abovementioned efforts, Japan is actively involved in public diplomacy activities through means that include dispatching experts and promoting the MIRAI Program, a program for personal and intellectual exchange that allows students from Europe and other regions to visit and learn about Japan. Through such efforts, Japan has built myriad channels with European countries and institutions in a broad range of fields from politics to security, economy, education, culture, science, and technology. By providing information about Japan and Asia and promoting mutual understanding through these channels, Japan is working to maintain close, multi-tiered relations with these countries and organizations.

## 1 Regional Situations in Europe

### (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. Sharing fundamental values and principles, the EU is an important partner for Japan in addressing global issues.

### (Recent Developments of the EU)

For the EU, 2017 was a year of addressing problems through efforts that included engaging in Brexit negotiations and taking steps to deal with immigrant and refugee influx, as well as terrorist attacks. It was also a year that saw the EU try to further discuss the future of Europe in light of a better EU economy and continuing pro-EU administrations after the elections in the major EU member states.

Regarding Brexit, the UK submitted the notification of its intention to withdraw from the EU on March 29. Subsequently, a total of six negotiations focused primarily on the three main issues (citizens' rights, financial obligations, and the border issues with Ireland) were conducted as a part of the first phase of Brexit negotiations. Although these negotiations did not lead to agreements, top-level negotiations were accelerated shortly before the European Council meeting in December. Eventually, "sufficient progress" of the first phase negotiation was acknowledged by the Council, and thus they entered the second phase during which topics such as the transition period and the future UK-EU relations would be discussed.

Regarding the immigrant and refugee influx into Europe, as a result of efforts to address immigrant and refugee flows from Africa to Italy via Mediterranean Sea routes while maintaining the EU-Turkey statement made in March 2016, the number of arrivals in Italy decreased dramatically starting in

the summer of 2017. This contributed to an overall drop in the number of arrivals into Europe. However, little headway was made in formulating a new immigration policy aimed at distributing the burden placed on EU member states such as asylum seeker relocation. 2017 was also a year of frequent terrorist attacks in multiple major cities in Europe, making counter-terrorism measures a continuing priority. At the same time, the rise of populism and similar movements continued in certain EU member states. For example, in Germany among major member states, the populist party achieved a considerable vote share increase in the national election held in 2017.

During his State of the Union address in September, and in light of pro-EU administrations holding power in major countries' elections and general upswings in European economies, European Commission President Juncker expressed his intention to further strengthen solidarity within Europe. In this way he showed an attitude toward seeking further European integration by addressing the crisis on European integration, thus advancing discussions concerning the future of Europe.

Economic and social cooperation takes the lead in promoting European integration, but a new plan for bolstering security-related cooperation deserves more attention. One such measure is the establishment in June of the European Defence Fund, which seeks to streamline defense equipment spending. December saw the launch of the Permanent Structured Cooperation (PESCO), a defense cooperation framework provided for in the Treaty on European Union. PESCO aims to improve joint defense capabilities and make investments in joint projects as well as enhancing the EU's operational readiness

and each member state's contribution to defense. Efforts also continue to be made to strengthen cooperation with NATO.

With respect to Asia, the EU expressed its intent to continue strengthening involvement in the region in line with the Global Strategy formulated in 2016. In response to the repeated nuclear tests and ballistic missile launches by North Korea, the EU decided to introduce autonomous measures against North Korea at the Foreign Affairs Council on October 16.

On the economic front, amid uncertainty over Brexit and other issues, a moderate economic recovery was seen in 2017 in the EU and Eurozone on the back of a moderate recovery in the global economy, a rise in consumer spending, better unemployment rates, and other factors.

### (Japan-EU Relations)

Through the finalization of the negotiations of the Japan-EU Economic Partnership Agreement (EPA) and other such achievements, significant progress was made in 2017 towards comprehensively strengthening Japan-EU relations. The first such achievement was a March Japan-EU Summit in Brussels, Belgium, where Prime Minister Abe made a visit to hold talks with European Council President Tusk and European Commission President Juncker. This was followed by a Summit in May that coincided with a G7 Summit held in Taormina, Italy. At the 24th Japan-EU Summit held in Brussels, Belgium in July, both leaders reached an agreement in principle on the Japan-EU EPA and Japan-EU Strategic Partnership Agreement (SPA), and they also agreed to work together on the issues concerning North Korea. At each of these talks, Prime Minister Abe



24th Japan-EU Summit (July 6, Brussels; Photo: Cabinet Public Relations Office)

consistently requested that transparency and predictability in the Brexit process be ensured in consideration of the possible impact on Japanese business activities. Close talks were also held between the ministerial levels in 2017: Foreign Minister Kishida attended the Japan-EU Foreign Ministers' Meeting that coincided with the G7 Foreign Ministers Meeting held in Lucca, Italy in April, while Foreign Minister Kono held his first talk with High Representative of the European Union for Foreign Affairs and Security Policy Mogherini in September on the occasion of the UN General Assembly.

On the economic front, closing discussions were held following an agreement in principle of the Japan-EU EPA in July. Foreign Minister Kono held a telephone talk with European Commissioner for Trade Malmstrom on December 8. On the same day, Prime Minister Abe and European Commission President Juncker held a summit telephone talk and confirmed the finalization of negotiations on the EPA.

### (2) United Kingdom

Following the result of a referendum conducted in June 2016, Prime Minister May issued a notification of the UK's intention to withdraw from the EU on March 29, 2017. Following Prime Minister

May's dissolution of the parliament and the subsequent general election held in June, the Conservative Party, while holding onto its status as UK's largest party, lost seats and failed to win a majority of seats on its own. After the election, she made the decision to stay on as Prime Minister, and her Conservative Party made a confidence and supply agreement with the Democratic Unionist Party, a regional political party of Northern Ireland, to engage in extra-cabinet cooperation. Meanwhile, the election saw a gain in seats for the Labor Party, a result that led to Mr. Corbyn, the leader of the party and radical left-wing MP, gaining stronger support within his party at a party conference in September. Additionally, a spate of scandals prompted cabinet resignations of Secretary of State for Defense Fallon and Secretary of State for International Development Patel in November and of First Secretary of State Green in December, leading to a cabinet reshuffle in January 2018.

Both Japan and the UK have strengthened the bilateral relations through policy cooperation and mutual exchange at various levels, including Summit and Ministerial Meetings. Prime Minister Abe visited the UK in April for the Japan-UK Summit Meeting with Prime Minister May at Chequers, the official country residence of the British Prime Minister. The two leaders also had a bilateral summit meeting at the G20 Summit in Hamburg, Germany in July. In August, Prime Minister May paid an Official Visit to Japan for another round of a Japan-UK Summit Meeting. In the meeting, the two leaders issued the "Japan-UK Joint Vision Statement," "Japan-UK Joint Declaration on Security Cooperation," "Japan-UK Joint Declaration on Prosperity Cooperation"

and "Joint Statement on North Korea," and shared understanding for further elevating the level of Japan-UK cooperation with focuses on security, economic partnership and global prosperity and growth.

Foreign Minister Kishida and Secretary of State for Foreign and Commonwealth Affairs Johnson had a Foreign Ministers' Meeting during the G20 Foreign Ministers' Meeting in Bonn, Germany in February. This was followed by another meeting in April on the occasion of the UN Security Council Ministerial Briefing on Non-proliferation and the Democratic People's Republic of Korea in New York. In July, Secretary Johnson visited Japan and the two ministers had the Sixth Japan-UK Foreign Ministers' Strategic Dialogue. New Foreign Minister Kono, who assumed office in August, had a Foreign Ministers' Meeting with Secretary Johnson on the occasion of the UN General Assembly in September. In December, they also had another meeting in the UK.

Recent years, security and defense cooperation between Japan and the UK have significantly developed. The Japan-UK Joint Vision Statement, which was issued during Prime Minister May's Official Visit to Japan in August, states that Japan and the UK are "each other's closest security partners in Asia and Europe respectively" and that the two leaders are "committed to elevating our global security partnership to the next level." Following this, at the Third Foreign and Defense Ministerial Meeting ("2+2") held in London in December, the four Ministers confirmed the approach for taking Japan-UK security and defense cooperation to the next level and issued a joint statement. Discussions were also held on advancing comprehensive cooperation

in such security fields as realizing the free and open Indo-Pacific region sharing views and strengthening coordination on regional affairs, joint exercises, defense equipment and technology cooperation as well as counter-terrorism. Regarding defense equipment and technology cooperation, the Joint Preliminary Study on Potential Collaborative Opportunities for Future Combat Air System/Future Fighter was launched in March. In May, the first joint exercise by Japan, the UK, France, and the U.S. was conducted in the sea around Japan and Tinian Island, Guam. Furthermore, in August, the Japan-UK Acquisition and Cross-Servicing Agreement (ACSA) entered into force.

### (3) France

The presidential elections were held from April to May in France and presidential candidate Macron who advocated the rallying of right and left wings which would go beyond the traditional framework of two-party politics, defeated far-right party leader Le Pen, and was elected as the eighth president of the French Fifth Republic. In the subsequent parliamentary elections in June, La République en Marche (LREM), a centrist party led by President Macron, had won a majority of seats and Prime Minister Philippe's cabinet was formed. Additionally, in September, the senate elections (election of the half members) were held.

In respect of domestic affairs, President Macron undertook labor market reforms to address the long-standing unemployment issue. Additionally, an administrative order (*ordonnance*) concerning the revision of the labor law was agreed by the Council of Ministers in September. Regarding counter-terrorism, France lifted on 1st November

the state of emergency that had been effective since the consecutive terrorist attacks in Paris in November 2015. In place, they have been dealing with the threat of terrorism by enacting a new bill that grants the government authority some part of the extensive powers approved exceptionally during the state of emergency. Regarding the financial aspect, France has been taking measures toward fiscal reforms to keep its budget deficit below 3% of GDP as required for EU member states. Concerning external affairs, they prioritize the stabilization of the Middle East and Africa as well as climate change issues. In that respect, France hosted the One Planet Summit in Paris in December, which Foreign Minister Kono attended. Furthermore, France has placed high priority on the framework of multilateral cooperation in this multi-polarizing world, and they have been taking leadership in European integration for example by announcing a vision of introducing the common budget for the euro zone.

With respect to the Japan-France relations, the Third Foreign and Defense Ministerial Meeting ("2+2") was held in Paris in January, and the four ministers confirmed to commence negotiations of the Acquisition and Cross-Servicing Agreement (ACSA). They also confirmed that they would concretize the cooperation regarding unmanned underwater vehicle (UUV) for mine detection as the first collaboration project under the Agreement concerning the Transfer of Defence Equipment and Technology between Japan and France that entered into force in December 2016. Joint exercises by Japan, France, the UK and the U.S. were conducted in the sea space around Japan and Guam between

April and May on the occasion of the visit to Japan of a French training task group “Jeanne d’Arc.” In March, Prime Minister Abe visited France and had a Summit Meeting with President Hollande. In May, Prime Minister Abe had the first Summit Meeting with the new President Macron at the G7 Summit in Taormina, Italy. In the meeting they confirmed cooperation toward “Japanism 2018,” which will be held mostly in Paris in 2018. Subsequently, they had another Summit Meeting in September at the UN General Assembly. Regarding Foreign Minister Kono, he had a Foreign Ministers’ Meeting with the new Foreign Minister Le Drian. In January 2018, moreover, Foreign Minister Kono attended the Fourth Japan-France Foreign and Defense Ministers’ Meeting (“2+2”) as well as Seventh Japan-France Foreign Ministers’ Strategic Dialogue. In the above occasions he welcomed the agreement in principle of the Japan-France ACSA and confirmed with the French side that a Japan-France joint exercise would be conducted when French naval frigate “Vendemiaire” visits Japan.

#### (4) Germany

As the international community faces various issues such as Brexit, the Ukrainian crisis, and the refugee crisis, Germany hosted the G20 Hamburg Summit in July 2017 as the chair country. Along with leading the release of the Hamburg G20 Leaders’ Statement on Countering Terrorism in the capacity of the chair country, Germany ensured commitments from each country towards international cooperation to strengthen global economic growth and safeguard against downside risks.

Germany’s economy maintained gradual

recovery. The Federal Government of Germany predicted a real GDP growth rate of 2.0% in 2017 and announced that its unemployment rate in November was 5.3%, the lowest level since 1991.

In domestic affairs, former Foreign Minister Steinmeier was elected as the 12th Federal President of Germany, succeeding President Gauck, whose term ended in March 2017. A German Federal election, which takes place every four years, was held in September. While political leaders of other countries, including the major EU member states, had been replaced, there was high expectation that Chancellor Merkel, who had stably managed the government, would stay in the office. Although the ruling Christian Democratic Union (CDU/CSU) preserved its position as the largest party, its share of the vote fell to its second lowest level ever since the World War II, and the percentage of votes going to the Social Democratic Party of Germany, a partner in the grand coalition, sank to its lowest level in history. Meanwhile, “Alternative for Germany (AfD),” which has promoted an anti-refugee policy, made a leap forward to become the country’s third largest party in the double-digit share of the vote and won seats in the Federal Parliament for the first time by attracting voters tired of and unsatisfied with current politics. The Free Democratic Party (FDP) resumed its seats in the Parliament for the first time in four years.

After the election, as SPD refused to continue to be a partner of the grand coalition with CDU/CSU, CDU/CSU began preliminary discussions aiming at establishing a coalition with the FDP and the Green Party, which came to an impasse when the FDP announced that it would



► 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—the Czech Republic, Hungary, Poland, and Slovakia—that share the fundamental values such as democracy and the rule of law. Japan and the V4 worked to strengthen their ties by holding “the V4 + Japan” seminar on migration issues in Central Europe and Japan’s perspective in February and appointing an ambassador in charge of “V4 + Japan” in November.

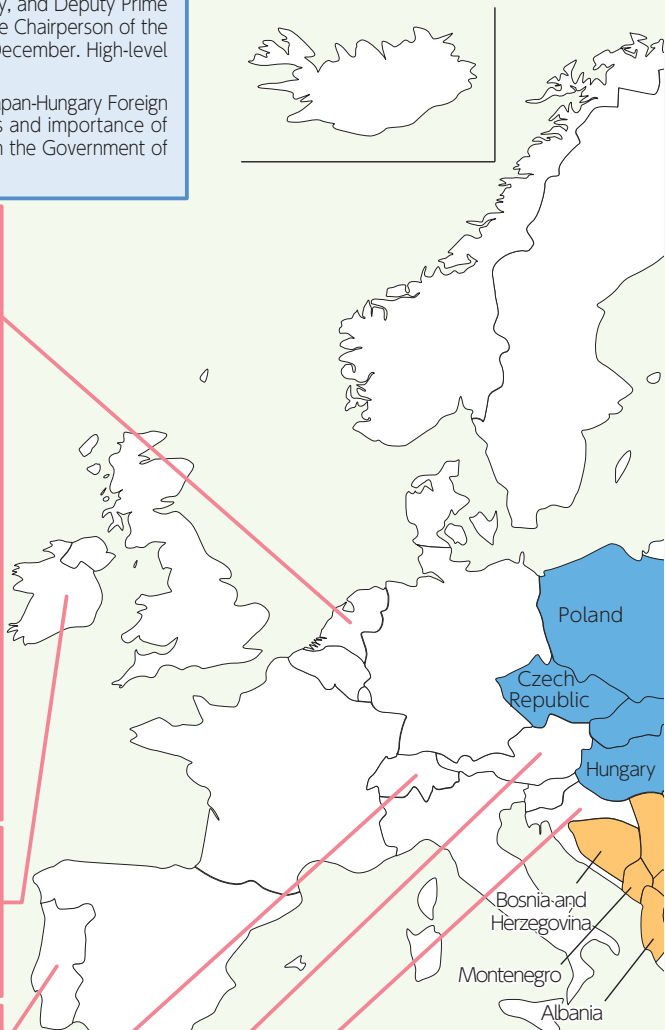
**Poland:** State Secretary, the Chancellery of the President Szczerski visited Japan in February. Minister of Foreign Affairs Waszczykowski visited Japan in May for the occasion of the 60th anniversary of re-establishment of diplomatic relations. Both Ministers signed “the Action Plan for the Implementation of the Strategic Partnership between the Government of Japan and the Government of the Republic of Poland” during Foreign Ministers’ Meeting.

**Czech Republic:** Upon entering the year of the 60th anniversary of restoration of diplomatic relations in 2017, the Protocol Amending the Agreement Between Japan and the Czech Republic on Social Security was signed in February. Prime Minister Sobotka visited Japan in June. At the Summit Meeting, Prime Minister Abe and Prime Minister Sobotka affirmed stronger cooperation on bilateral relations and international affairs including North Korea situations. ANO led by Babiš won in the Lower House election in October, and the Babiš Cabinet was appointed in December. However, the cabinet lost a confidence vote in the Lower House in January and coalition negotiations are taking place again as of February 2018.

**Slovakia:** The Agreement on Social Security was signed in January. The Agreement was approved in Slovakia’s Parliament in March and in Japan’s National Diet in June. State Secretary, Minister for Foreign and European Affairs Korcok visited Japan in May, and Deputy Prime Minister and Minister of Foreign and European Affairs Lajčák visited Japan in July as the Chairperson of the UN General Assembly. State Minister for Foreign Affairs Nakane visited Slovakia in December. High-level exchange was active throughout the year.

**Hungary:** Minister of Foreign Affairs and Trade Szijjártó visited Japan in February for a Japan-Hungary Foreign Ministers’ Meeting. The two Ministers confirmed reinforcement of bilateral relations and importance of fundamental values such as the rule of law. They also signed the Agreement between the Government of Japan and the Government of Hungary regarding a Working Holiday Scheme.

V4



[Benelux countries]

**The Netherlands:** Despite losing seats, the People’s Party for Freedom and Democracy led by Prime Minister Rutte maintained its position as the leading party in the general election in March. Although they faced difficult negotiations to form a coalition government, in October the 3rd Rutte Cabinet led by Prime Minister Rutte was finally formed by four parties dominated by his party. In November, Her Royal Highness Princess Laurentien visited Japan to attend the opening ceremony of Omotemon bridge in Dejima, Nagasaki. This event further deepened over 400 years’ cordial relations between the two countries.

**Belgium:** President of the House of Representatives and President of the Belgium-Japan Parliamentary Friendship Group Bracke visited Japan in February on an invitation from Speaker of the House of Representatives in the Diet Tadamori Oshima. Their meeting contributed to promote mutual exchanges between the two parliaments. Bracke also held a meeting with Prime Minister Abe. The cordial relations between the two countries further deepened through the visit of Prime Minister Abe to Belgium where Prime Minister Abe had a working dinner with Prime Minister Michel.

**Luxembourg:** His Royal Highness Grand Duke Henri paid a State Visit to Japan in November on the occasion of the 90th anniversary of the establishment of diplomatic relations between Japan and Luxembourg in 2017. During the stay, he visited Tsukuba City and attended a variety of events including a State Banquet as well as a dinner hosted by Prime Minister Abe and his spouse. These events further deepened the cordial relations between the two countries. Additionally, Minister of Foreign and European Affairs Asselborn who accompanied H.R.H. Grand Duke Henri, had a Foreign Ministers’ Meeting with Foreign Minister Kono. This State Visit provided opportunities to further deepen the bilateral relations between the two countries.

**Ireland:** The year of 2017 marked the 60th anniversary of the establishment of the diplomatic relations between Japan and Ireland. Foreign Minister Kishida visited Ireland in January to have a Foreign Ministers’ meeting with Minister for Foreign Affairs and Trade Flanagan and to attend the 60th anniversary ceremony which was held on a large scale. Foreign Minister Flanagan paid a working visit to Japan in March and held a Foreign Ministers’ meeting.

**Community of Portuguese Language Countries (CPLP):** Executive Secretary of the CPLP Silveira visited Japan in March.

**Switzerland:** The Switzerland-Japan Parliamentary Friendship Group visited Japan in March on an invitation from the House of Councilors and held a meeting with State Minister for Foreign Affairs Kishi. In November, the new Minister for Foreign Affairs Cassis assumed his role.

**Austria:** The Tax Convention between Japan and the Republic of Austria was signed in January. Foreign Minister Kishida visited Austria as a sitting Minister for the first time in 14 years in May. He held a Foreign Ministers’ Meeting with Minister for Europe, Integration and Foreign Affairs Kurz. In July, the 21st meeting of “the Japan-Austria Committee for Issues of the Future” was held in Shizuoka City, Japan. In October, the national parliamentary election took place earlier than originally scheduled and the People’s Party led by Mr. Kurz won. In December, the Peoples Party and the Freedom Party formed a coalition Government led by Mr. Kurz as the Prime Minister.

**Malta:** Prime Minister Abe visited Malta in May as the first Japanese Prime Minister to visit the country. Prime Minister Abe had a Summit Meeting with Prime Minister Muscat and paid respects at a cemetery of the war dead of the Imperial Japanese Navy.

**Croatia:** There were high-level exchanges such as the visit of State Minister for Foreign Affairs Kishi to Croatia in July 2017 and the Summit Meeting between Prime Minister Abe and Prime Minister Plenković during the UN General Assembly in September.

**[Nordic Countries]**

**Denmark:** 2017 was the 150th anniversary of the establishment of diplomatic relations between Japan and Denmark, where active mutual visits of VIPs were realized. His Imperial Highness Crown Prince Naruhito visited Denmark in June, (See Special Feature: "His Imperial Highness Crown Prince Visits Denmark") and Prime Minister Abe visited the country in July. Their Royal Highnesses Crown Prince Frederik and Crown Princess Mary visited Japan in October as an Official Working Visit. During the visit, the Japan-Denmark Tax Convention was signed by the two countries.

**Finland:** In July, Prime Minister Abe visited Finland and had a Summit Meeting with President Niinistö. The two countries confirmed to further develop strategic relations toward the 100th anniversary of the establishment of the diplomatic relations in 2019.

**Norway:** In July, Prime Minister Abe had a Summit Meeting with Prime Minister Solberg during the G20 Hamburg Summit. The two countries confirmed to further develop cooperative relations in a broad range of areas including through implementation of the rule of law in maritime affairs and the Arctic.

**Sweden:** In July, Prime Minister Abe visited Sweden and had a Summit Meeting with Prime Minister Löfven. The two countries confirmed to further develop cooperative relations in a broad range of areas toward the 150th anniversary of the establishment of the diplomatic relations in 2018.

**[Baltic Countries]**

In January 2018, Prime Minister Abe visited the Baltic countries for the first time as the Japanese Prime Minister and announced the launch of the "Japan-Baltic Cooperation Dialogue."

**Latvia:** In July, the Japan-Latvia Tax Convention entered into force. In December, Prime Minister Kučinskis visited Japan and held a Summit Meeting with Prime Minister Abe.

**Lithuania:** In May, Minister of Foreign Affairs Linkevičius visited Japan and had a Foreign Ministers' Meeting with Foreign Minister Kishida. They confirmed to further develop in bilateral relations in a broad range of areas, including politics, economy, education, and science. In July, the Japan-Lithuania Tax Convention was signed by the two countries.

**GUAM**

In January, the "GUAM + Japan" workshop was held in Tokyo under the theme of tourism promotion. In September, Foreign Minister Kono attended the 5th "GUAM + Japan" Foreign Ministerial Meeting held in New York. Cooperation between Japan and GUAM has been strengthened through these events.

**Romania:** In January 2018, Prime Minister Abe visited Romania for the first time as Prime Minister and had a Japan-Romania Summit Meeting with President Iohannis. There were high-level contacts between the two countries including the visit by the State Minister for Foreign Affairs Kishi in July.

**Bulgaria:** Prime Minister Abe visited Bulgaria in January 2018, the first-ever visit to the country by a Japanese Prime Minister, and held a Japan-Bulgaria Summit Meeting with Prime Minister Borissov. He also paid a courtesy call on President Radev. In addition to Prime Minister Abe's visit to Bulgaria, there were high-level exchanges such as visits by members of the Japan-Bulgaria Parliamentary Friendship League at the House of Councilors, headed by Chairman of the League Hiromi Yoshida in August.

**Greece:** Fiscal rebuilding and structural reforms have been moving forward with the assistance of the bailout program toward the completion of the third economic adjustment program in the summer of 2018. High-level exchanges between Japan and Greece have increased in recent years, including the visits by State Minister for Foreign Affairs Kishi in January 2017 and a group led by President of the House of Councillors Chuichi Date in December 2017 and a Japan-Greece Foreign Ministers' Meeting in January 2018.

**Cyprus:** Japan has traditionally maintained friendly bilateral ties with Cyprus. Cyprus is an EU member state and its geopolitical importance with close proximity to the Middle East has risen in recent years of instability in the Middle East. Japan opened its Embassy in Cyprus in January 2018 to further strengthen bilateral relations and in light of the potential role of Cyprus as an evacuation site for a crisis in the Middle East or North Africa.

**the Western Balkans**

Although there still remains ethnic divisiveness, overall progress has been made for stability and development in the Western Balkan region with each country's commitment to reforms toward European integration. With regard to the relations with Japan, there were high-level exchanges such as the visit of State Minister for Foreign Affairs Kishi to Albania in July 2017, the visit of State Minister for Foreign Affairs Nakane to Serbia and the Former Yugoslav Republic of Macedonia in September, and the visit of Minister of Foreign Affairs Crnadak to Japan in October. Furthermore, Prime Minister Abe visited Serbia in January 2018, the first-ever visit to the country by a Japanese Prime Minister, and held a Japan-Serbia Summit Meeting with President Vučić. During the visit, Japan launched the Western Balkans Cooperation Initiative to strengthen support for socioeconomic reforms of the Western Balkans (Albania, Kosovo, Serbia, Bosnia and Herzegovina, Macedonia, and Montenegro), which are willing to join the EU. Japan also opened its Embassies in Albania and the Former Yugoslav Republic of Macedonia in January 2017 to strengthen its presence and activities in the region.

be withdrawing from the discussions. Subsequently, in January 2018, after the mediation efforts by President Steinmeier, CDU/CSU and SPD began coalition negotiations that led to an agreement in February.

Subsequent to 2016, high-level visits were made between Japan and Germany in 2017. Foreign Minister Kishida visited Bonn, Germany in February to attend the G20 Foreign Ministers' Meeting. In March, Prime Minister Abe visited Hanover, Germany to attend the CeBIT trade show, for which Japan became the partner country. At the event, Prime Minister Abe and Chancellor Merkel visited the booths of Japanese and German telecommunications companies. They also held a Summit Meeting that led to agreement between the two leaders on the importance of making the G7 more united than ever and demonstrating unwavering cooperation and commitment on the security and economic fronts. In February 2018, President Steinmeier held a Summit Meeting with Prime Minister Abe in Japan.

### (5) Italy

Italy held the G7 presidency in 2017, taking over the role from the former year's president: Japan. Numerous Japanese high-level officials visited Italy to attend the G7 Summit in Taormina and 13 Ministerial Meetings. In March, Prime Minister Abe visited Rome and had a Summit Meeting with Prime Minister Gentiloni. In the Meeting they confirmed close cooperation as the current and former chairs of the G7 Summit. In May, Prime Minister Abe visited Sicily to attend the G7 Summit. Foreign Minister Kishida visited Lucca (located in Toscana, Central Italy) to attend the G7 Foreign Ministers' Meeting in April. On

that occasion, he had a Foreign Ministers' Meeting with Italian Foreign Minister Alfano.

The two countries are steadily developing bilateral cooperation in the fields of security and defense. In the Japan-Italy Summit Meeting in March, the two leaders confirmed that both countries would start negotiations on an Agreement on the Transfer of Defense Equipment and Technology. The Agreement was later signed by Foreign Minister Kishida and Defence Minister Pinotti in Tokyo in May.

In respect of domestic affairs, Prime Minister Gentiloni has steadily managed the administration since his inauguration at the end of 2016. Regarding the electoral law which had been an long-standing issue for Italy, both the Chamber of Deputies and Senate passed a reform bill which was later put in force in November.

### (6) Spain

In 2017, active high-level visits between Japan and Spain were realized. In April, Their Majesties King Felipe VI and Queen Letizia of Spain paid a State Visit to Japan. On this occasion, Foreign Minister Kishida had a Ministers' Meeting with Foreign Minister Dastis, who was accompanying Their Majesties, and signed the Japan-Spain Working Holiday Scheme Agreement. In July, Parliamentary Vice-Minister for Foreign Affairs Takisawa visited Barcelona and Madrid and exchanged views with individuals affiliated with local Japanese businesses. Additionally, he had a meeting with State Secretary for Foreign Affairs Castro. In October, the 19th Japan-Spain Symposium was held under the title of "The Fourth Industrial Revolution and Globalization: Dialogue between Japan

and Spain” in Malaga, Spain.

In respect of domestic affairs, the Spanish Constitutional Court ruled illegal the Catalan independence “referendum” in October. The Spanish Government implemented measures, including the dissolution of the Regional Parliament of Catalonia, based on its Constitution.

## **(7) Ukraine**

In eastern Ukraine, although the cease-fire agreements at the end of August and the end of December made temporary improvements in the situation, conditions remain unstable due to factors that include the death of an OSCE Special Monitoring Mission member in April. Since January, the distribution between regions controlled by the Ukrainian Government and temporarily occupied regions has stopped, and the economic blockade of the temporarily occupied territories continues until now. Meanwhile, no significant progress has been achieved in talks over implementation of the Minsk Agreements among the nations concerned.

In foreign affairs, the Association Agreement with the EU that includes the Deep and Comprehensive Free Trade Area (DCFTA) came into force in September. Ukraine has engaged in active diplomatic efforts through discussions and mutual visits between Ukraine and the U.S., Europe, and neighboring countries, including two Summit telephone talks under the Normandy Format<sup>2</sup>, as well as through multilateral talks in the UN and other organizations.

In domestic affairs, some positive results were achieved with respect to judicial, healthcare, pension, election law, and other reforms under

the leadership of Groysman’s cabinet, which was formed in April 2016. However, due to differences of positions among the domestic political powers regarding the anti-corruption measures, there remain the issues that have yet to be addressed.

In terms of relations with Japan, in recognition of 2017 as being the Year of Japan in Ukraine, many events related to Japan were held throughout the country to commemorate the 25th anniversary of the establishment of diplomatic relations between Japan and Ukraine, including planting more than 1,500 cherry blossom trees in locations around Ukraine. Active high-level exchanges continued in 2017 such as the visit of Chairman of the Ukrainian parliament Parubiy to Japan at the end of February, the visit of Chairperson of the Ukraine-Japan Parliamentary Friendship Group Yemets and his party to Japan in June, the visit of Deputy Head of the Presidential Administration Yeliseiev to Japan in October, and the visit of State Minister for Foreign Affairs Nakane to Ukraine in November for the event related to the Year of Japan in Ukraine.

The bilateral relations between Japan and Ukraine also made steady progress among working-level officials through efforts that included the fifth meeting of the Japan-Ukraine Joint Committee for the Cooperation to Advance Aftermath Response to Accidents at Nuclear Power Stations in Kiev in November and the implementation of relaxation of visa requirements for Ukrainian nationals in January 2018.

Regarding Japan’s assistance to Ukraine, Japan pledged additional support of around 460 million yen (3.89 million US dollars).

<sup>2</sup> Framework for dialogue among four nations (France, Germany, Russia, and Ukraine) aiming at resolving the situation around Ukraine.

## 2 Collaboration with European Regional Institutions, and the Asia-Europe Meeting (ASEM)

### (1) Cooperation with NATO

As a military alliance aimed at providing collective defense for its 29 member countries, NATO is currently conducting security-keeping operation in Kosovo, providing support in Afghanistan, helping counter-terrorism efforts, and engaging in crisis management, conflict prevention, and regional stabilization after conflicts both inside and outside of the region that could pose a direct threat to the security of the territories and peoples of NATO member countries. U.S. President Donald Trump had expressed the desire for NATO member countries to increase their defense burden sharing before his inauguration, and leaders at the meeting of NATO Heads of State and Government in May reaffirmed the target to spend 2% of its GDP on defense by 2024. Although great attention was paid to President Trump whether he would express the U.S.'s commitment to the Article 5 in the same meeting, such commitment was made public during his visit to Poland in July.

As a partner that shares fundamental values with NATO, Japan is taking specific steps towards collaboration based on the Individual Partnership and Cooperation Programme (IPCP), which Prime Minister Abe signed while visiting NATO headquarters in May 2014. During Japan-NATO high level consultations held in Tokyo in May, officials exchanged views on security policies in Japan and Europe. High-level talks continued throughout the year, with a visit to NATO headquarters in July by Prime Minister Abe followed by a visit to Japan by Secretary General of

NATO Stoltenberg, who held talks with Abe and Foreign Minister Kono. During the Secretary General's visit to Japan, Japan and NATO issued a joint press statement calling for further efforts to apply decisive pressure on North Korea to urge North Korea to abandon its nuclear and ballistic missile programs, and the resolution of the abductions issue, as well as expressing concern for the situation in the South China Sea and East China Sea. Japan participated as an observer in NATO crisis management exercises (CMX), as well as training exercises related to cybersecurity and humanitarian assistance and disaster relief (HA/DR). Japan also dispatches female self-defense force official to NATO headquarters in order to promote cooperation on matters concerning women, peace and security.

In addition to financial contributions for development, Japan is also working with NATO to improve stability in Afghanistan. Japan provides support through Afghanistan National Army (ANA) Trust Fund for healthcare and education activities. Through the Partnership for Peace (PfP) Trust Fund, Japan is also providing support for clearing unexploded ordinance in Azerbaijan, removing unexploded ordnance and landmines and conducting explosive ordnance disposal training in Georgia, as well as supporting training women in the military in Jordan.

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

OSCE is a regional security organization with 57 member countries across Europe, central Asia, and North America, that works to prevent conflicts and foster trust

in these regions through a comprehensive approach. Japan has taken part in OSCE activities since 1992 as an Asian Partner for Co-operation. Japan provides support for preventing terrorism through means such as strengthening border patrol and conducting election monitoring in Afghanistan and central Asia including through the Border Management Staff College, and also lends support to the projects that support women's social advancement. OSCE plays an important role in improving the situation in Ukraine. Japan views the Ukrainian crisis as a challenge to the matter of the principle to maintain rules-based international order. Based on such view, Japan provides financial support to the OSCE Special Monitoring Mission (SMM) to Ukraine and has been dispatching experts to the SMM since August 2015. State Minister for Foreign Affairs Nakane attended Ministerial Council in Vienna, Austria, where he addressed "Free and Open Indo-Pacific Strategy," the issues concerning North Korea's missile and nuclear programs, the situation in Ukraine, and measures to counter violent extremism. He called for the importance of thoroughly ensuring the rule of law and a concerted response from the entire international community.

### **(3) Cooperation with the Council of Europe (CoE)**

CoE is a regional organization comprising 47 member states in Europe. It plays a key role in establishing international standards in areas concerning democracy, human rights, and the rule of law. As the CoE's sole observer country in Asia, Japan has made active contributions to a range of CoE activities since gaining membership in 1996. In 2017, Japan has provided

financial support for a summer school to assist internally displaced persons (IDP) in Ukraine (Western Ukraine, August), the international forum in support of IDPs (Kiev, October), and roundtable talks discussing the establishment of international standards concerning NGOs and other organizations that receive extra-national funding (Venice, October).

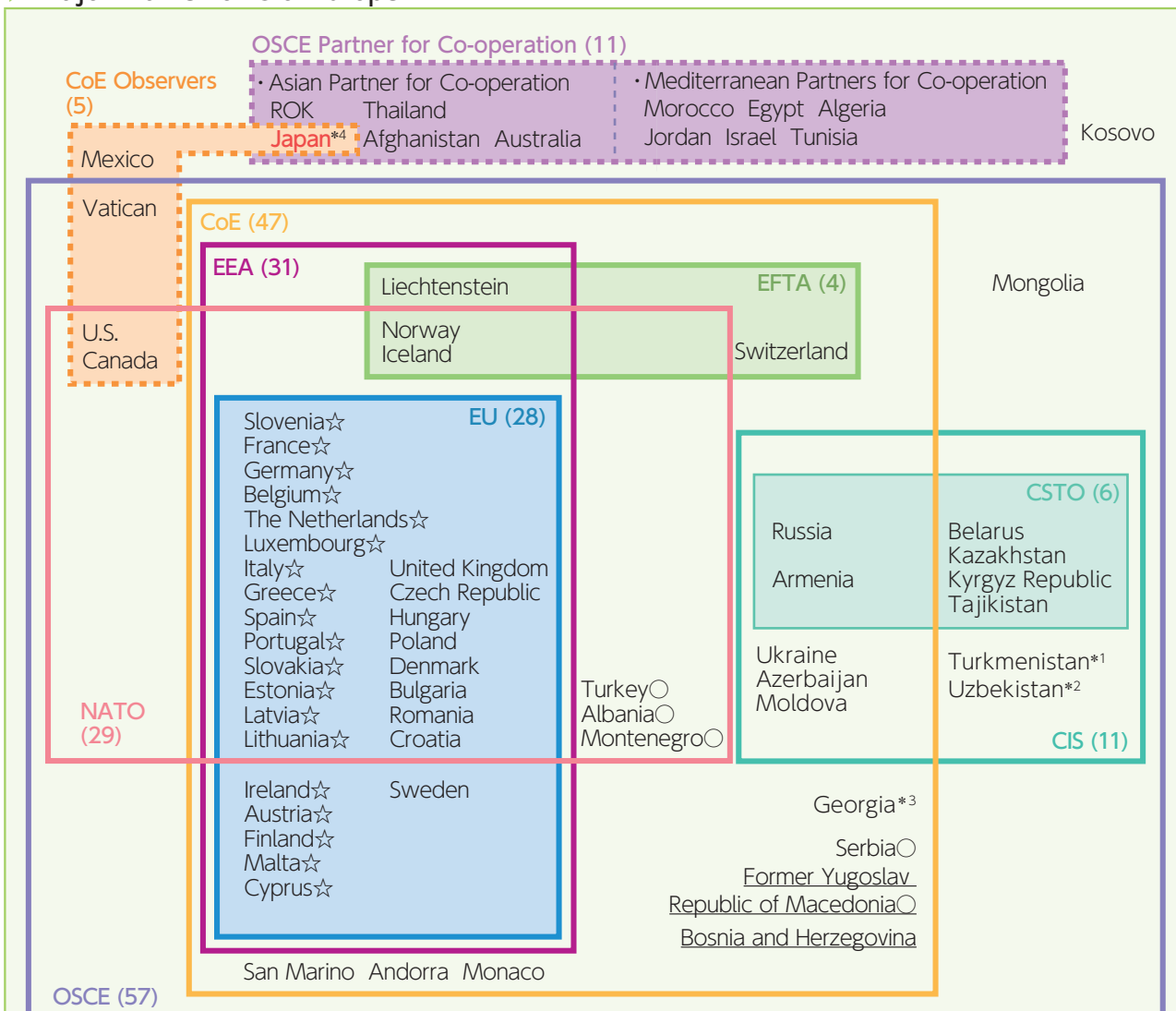
### **(4) Cooperation through the Asia-Europe Meeting (ASEM)**

ASEM was established in 1996 as the sole forum for dialogue and cooperation between Asia and Europe. It currently comprises 51 member states and two institutions, and works through Summits, Ministers' Meetings, seminars, and other activities focused on three main areas, namely (1) politics, (2) economy and (3) culture and society.

On November 20 and 21, ASEM held its 13th Foreign Ministers' Meeting in Nay Pyi Daw (Myanmar) whose themes are "Synergizing Peace and Sustainable Development" and "3rd Decade of ASEM: Making ASEM Partnership more Dynamic and Connected."

In attendance from Japan was Parliamentary State Minister for Foreign Affairs Nakane, who provided an explanation of the "Free and Open Indo-Pacific Strategy," a critical strategy in the interest of bringing Asia and Europe together, and emphasized the importance of making the Indo-Pacific region free and open. On issues concerning North Korea, State Minister for Foreign Affairs Nakane stated that now is the time for the international community as a whole to maximize pressure on North Korea and also asked each country for their understanding and support for the

► Major Frameworks of Europe



<Legend> Number of member countries in ( )  
 ○: Candidate to be an EU member (5)  
 ☆: Euro member states(19)  
 ...: Members of the Membership Action Plan (MAP) (2)

- \*1 Turkmenistan has been an associate member of the CIS since 2005.
- \*2 Uzbekistan ceased its membership in the CSTO in 2012.
- \*3 Georgia notified the CIS of its decision to leave the organization on August 18, 2012, and formally withdrew from the CIS on August 18, 2009.
- \*4 Japan is one of NATO's "partners across the globe."

<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) : (29)  
 OSCE (Organization for Security and Co-operation in Europe) : (57)

abductions issue. Concerning maritime security, he emphasized the importance of ensuring free and open maritime order in every region based on the rule of law. He also addressed the South China Sea

problem by expressing his strong hopes for relieving tensions and progress towards demilitarization through settling effective Code of Conduct (COC) early in the South China Sea.

In the chairs' statement of the Foreign Ministers' Meeting, Foreign Ministers mentioned maritime security issues and condemned in the strongest terms the nuclear test and ballistic missile launches by North Korea. Ministers also explicitly referenced to the abductions issue, which was also referred to in the chairs' statements previously at the 10th G7 Summit in 2014, the 12th ASEM Foreign Ministers' Meeting in 2015, and the 11th G7 Summit in 2016.

In addition, Japan supports ASEM through contributions to the Asia-Europe

Foundation (ASEF) and the tourism seminar (February) in Yangon co-hosted with the Government of Myanmar.

In addition, Deputy State Minister of Economy, Trade and Industry Kosaburo Nishime attended the 7th ASEM Economic Ministers' Meeting conducted in Seoul, South Korea in September, the same month that State Minister of Land, Infrastructure, Transport and Tourism Takao Makino, attended the 4th ASEM Transport Ministers' Meeting held in Bali (Indonesia).

## Special Feature

### **His Imperial Highness the Crown Prince's Visit to Denmark**

Japan and Denmark have built stable friendly relations traditionally in a variety of areas including politics, economy and culture, supported by the close relationship between the Imperial Family of Japan and the Royal Family of Denmark. The Imperial Family and Royal Family have had intimate exchanges over the years. While Their Majesties the Emperor and Empress paid a State Visit to Denmark in 1998, Her Majesty Queen Margrethe II and His Royal Highness the Prince Consort (Prince Henrik) paid a State Visit to Japan in 1981 and 2004, respectively.

Following the Great East Japan Earthquake in 2011, Her Majesty Queen Margrethe II donated to the disaster victims the proceeds from a charity auction where she auctioned off her craft works. She also raised relief donation from Danish businesses and donated it to the disaster-affected areas. His Royal Highness Crown Prince Frederick visited Higashimatsushima City, Miyagi Prefecture in June 2011, three months after the disaster. Such exchanges between Higashimatsushima City and the Royal Family of Denmark still continue today.

In 2017, both countries celebrated the 150th anniversary of the establishment of diplomatic relations. To hold commemoration events, His Imperial Highness the Crown Prince and His Royal Highness Crown Prince Frederick were appointed as the Honorary Presidents for this anniversary. His Imperial Highness paid an official visit to Denmark from June 15 to 21, 2017. This was his second visit to Denmark, following his first visit in 2004 to attend the wedding of His Royal Highness Crown Prince Frederick.

Upon arriving in Denmark on June 15, His Imperial Highness the Crown Prince received a warm welcome from His Royal Highness Crown Prince Frederick and Her Royal Highness



Crown Princess Mary at Copenhagen's Kastrup Airport. On the next day, June 16, His Imperial Highness attended the "Japan in the Danish Royal House" exhibition which explored the long-standing mutual exchanges between the Imperial Family of Japan and the Royal Family of Denmark, together with His Royal Highness Crown Prince Frederick. In the evening of the day, His Imperial Highness attended a Japanese traditional music performance featuring the *koto* held as a part of the 150th anniversary celebration together with His Royal Highness Crown Prince Frederick and Her Royal Highness Crown Princess Mary.



His Imperial Highness the Crown Prince receiving a welcome to the luncheon at Fredensborg Palace by Her Majesty Queen Margrethe II and His Royal Highness Crown Prince Frederick and Her Royal Highness Crown Princess Mary (June 18, Denmark, Photo: The Asahi Shimbun)

On June 18, Her Majesty Queen Margrethe II hosted a welcome luncheon at Fredensborg Palace located on the outskirts of Copenhagen. On June 19, His Royal Highness Crown Prince Frederick and Her Royal Highness Crown Princess Mary hosted a dinner at Amalienborg Palace in Copenhagen.

His Imperial Highness visited "State of Green", an institution that provides information about Danish policies and business initiatives on energy, water and environment, together with His Royal Highness Crown Prince Frederick to know measures on Danish environmental policies. His Imperial Highness also participated in a tour of the Port of Copenhagen with Her Royal Highness Crown Princess Mary.

His Imperial Highness also met with Prime Minister of Denmark Lars Løkke Rasmussen at the Prime Minister's Official Residence located outside of Copenhagen. Additionally, His Imperial Highness visited a variety of facilities which showcase Danish distinct features in the fields of the environment, design, marine shipping and welfare as well as these deeply connected to Japan. At each destination, His Imperial Highness had friendly exchanges not only with officials but with local residents, who extended a warm welcome. His Imperial Highness also met with Japanese nationals working for Japan-affiliated organizations and international institutions in Denmark as well as Danish people with a deep connection to Japan in such fields as culture, art, academia and business.

His Imperial Highness the Crown Prince's visit to Denmark reaffirmed the long-standing and wide-reaching cooperative relations between the two countries and served as a major event contributing to further development of friendly relations in the future.