

Japan-Indonesia Joint Statement
on
Strengthening Strategic Partnership

January 15, 2017

At the invitation of His Excellency President Joko Widodo of the Republic of Indonesia, His Excellency Shinzo Abe, Prime Minister of Japan, paid an official visit to Indonesia from 15 - 16 January 2017. During their meeting, Prime Minister Abe and President Joko Widodo held a cordial and productive discussion on wide ranging areas of bilateral cooperation as well as regional and global issues of common concern. Both leaders reaffirmed their commitment to further strengthening their strategic partnership.

Maritime Field

Maritime Cooperation

1 Both leaders reaffirmed that the two countries shared common interest in maintaining and promoting free, open and stable seas for peace, stability and prosperity of the region and the international community as fellow maritime countries that are surrounded and connected with the rest of the world by vast oceans. In this context, Prime Minister Abe introduced to President Joko Widodo Japan's "Free and Open Indo-Pacific Strategy". President Joko Widodo appreciated any initiative to connect Indian Ocean and Pacific Ocean, including in the economic field. President Joko Widodo also explained Indonesia's "Global Maritime Fulcrum" and "Enhanced Regional Architecture in the Asia Pacific" concept. President Joko Widodo invited Japan to discuss with Indonesia regional security cooperation, including its architecture. As dialogue partner to Indian Ocean Rim Association (IORA), Prime Minister Abe has agreed to enhance Japan's participation at IORA's activities, and that Japan will participate in the Leaders' Summit in Commemoration of the 20th Anniversary of the IORA to be held in Jakarta on 7 March 2017.

2 Both leaders welcomed the establishment of Japan-Indonesia Maritime Forum on 21 December 2016 in order to further strengthen and accelerate maritime cooperation *inter alia* in maritime security and safety, promotion of

maritime industries, maritime infrastructure, energy, and remote islands development including Sabang, Natuna and Morotai, as one of the important pillars towards enhancing a bilateral cooperative relationship through concrete and mutually beneficial cooperation.

3 Both leaders welcomed Japan's participation in the Head of Asian Coast Guard Agencies Meeting (HACGAM) hosted by Indonesia in October 2016 and the joint exercise with HACGAM member states. Both leaders stressed the importance of strengthening maritime security and safety in the region by promoting cooperation in the field of capacity building, including human resource development and provision of equipment.

Political Field

Security

4 Both leaders welcomed the first Japan-Indonesia Foreign and Defense Ministerial Meeting ("2+2") held on 17 December 2015 in Tokyo. They stressed the importance of continuing dialogue between foreign and defense authorities at various levels, including convening of "2+2" meeting on a regular basis and holding Politico-Military (PM) dialogue with a view to enhancing communication and further promoting closer cooperation in the fields of security and defense. Both leaders shared the view to continue discussions toward specific cooperation in the field of defense equipment and to work together to expeditiously sign an agreement concerning the transfer of defense equipment and technology.

Regional and International Cooperation

5 Both leaders shared the view that the South China Sea holds sea lanes vital for global economic activity and viability. In this regard, both leaders stressed the importance of freedom of navigation and overflight and unimpeded commerce in full compliance with the universally recognized principles of international law including the 1982 United Nations Convention on the Law of the Sea (UNCLOS). With regard to the South China Sea, both leaders acknowledged the importance of a rules-based approach to the peaceful settlement of maritime disputes without resorting to the threat or use of force, in accordance with UNCLOS, the Charter of the

United Nations, the 1976 Treaty of Amity and Cooperation in Southeast Asia and other relevant international instruments. In this context, both leaders urged all parties to settle the dispute peacefully while contributing to building, maintaining and enhancing mutual trust and confidence, exercising self-restraint and non-militarization. They also acknowledged the importance of the 2002 ASEAN-China Declaration on the Conduct of the Parties in the South China Sea (DOC), the Joint Communiqué of the 49th ASEAN Foreign Ministers' Meeting of 24 July 2016, the Chairman's Statement of the 19th ASEAN-Japan Summit of 7 September 2016 and the Chairman's Statement of the 11th East Asia Summit of 8 September 2016.

6 Both leaders shared the view that peace, security and stability on the Korean Peninsula are of great importance, and in accordance with relevant UN Security Council resolutions condemned in the strongest terms North Korea's nuclear tests and ballistic missile launches and called for the denuclearization of the Peninsula. They urged North Korea to fully comply with relevant United Nations Security Council resolutions, including Resolution 2321 and to fulfil its commitments under the 2005 Joint Statement of the Six-Party Talks. They reaffirmed the importance of sustained and comprehensive implementation of all relevant United Nations Security Council resolutions. They emphasized the importance of addressing issues of humanitarian concern, including abduction issue immediately.

7 Both leaders offered their congratulations on the 50th Anniversary of the founding of ASEAN. Prime Minister Abe reaffirmed Japan's firm support for ASEAN centrality and unity. Prime Minister Abe hoped that ASEAN would deepen integration as a partner that holds in common values such as the rule of law and democracy and works together with Japan to maintain peace and prosperity of the region based on the rule of law. Both leaders reaffirmed that ASEAN and Japan would further enhance cooperation in various areas including through strengthening ASEAN connectivity and narrowing development gaps among ASEAN countries.

8 Both leaders welcomed Indonesia's leadership and Japan's unwavering commitment in regional and global fora. They encouraged all countries to continue working closely to ensure a peaceful, stable and prosperous future of the region.

9 Both leaders reiterated their strong commitment to promoting nuclear disarmament, non-proliferation and peaceful uses of nuclear energy for the success of the 2020 NPT (Treaty on the Non-Proliferation of Nuclear Weapons) Review cycle which starts this year. Both leaders reaffirmed the significance of advancing practical and concrete measures towards a world free of nuclear weapons, including the early entry into force of the Comprehensive Nuclear-Test-Ban Treaty (CTBT), and the immediate commencement of negotiations on a Fissile Material Cut-off Treaty (FMCT), through cooperation between nuclear-weapon States and non-nuclear-weapon States.

Economic Field

Trade and Investment

10 Recalling that trade and investment are key drivers for economic growth and development, both leaders reaffirmed their resolution to be consistent with international rules such as the World Trade Organization (WTO) Agreement and incessantly improve domestic business environment inclusive of legal stability and transparency. In this regard, Prime Minister Abe credited President Joko Widodo with his consecutive economic packages. In order to augment the industrial capabilities of Indonesia, Prime Minister Abe renewed Japan's strong commitment to human resource development cooperation in the Indonesian manufacturing sector.

11 Both leaders confirmed the important role played by the Japan-Indonesia Economic Partnership Agreement (JIEPA) in promoting trade and investment relations between both countries and reaffirmed their commitments to further strengthening cooperation under the Agreement.

12 Both leaders also reiterated the importance of reviewing the Agreement between Japan and the Republic of Indonesia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to taxes on income signed in 1982 consistent with the aim to promote investment flows between the two countries taking into account the current economic dynamics.

13 Both leaders reaffirmed to cooperate towards conclusion of modern, comprehensive, high quality and mutually beneficial Regional Comprehensive Economic Partnership (RCEP) Agreement to further deepen existing regional supply chains and thus reinforce the role of the RCEP region as a growth center of global economy.

Java Northern Line Upgrading project

14 Both leaders welcomed the upcoming joint efforts between Japan and Indonesia on upgrading Java Northern Line. They shared the common recognition that the ongoing exchange of views on various aspects of the project will be further followed up and that this project will strengthen bilateral relations in infrastructure development and connectivity.

Patimban Seaport project

15 Both leaders welcomed the steady progress of preparation, including detailed engineering design for the inception of construction of Patimban seaport. Based on the common recognition reached between both leaders in May 2016, they were committed to taking necessary actions to ensure the port operated jointly by Japanese and Indonesian companies.

Jakarta Mass Rapid Transit (MRT) project

16 Both leaders welcomed the steady progress of the North-South Line development project. Prime Minister Abe expressed Japan's intention to extend cooperation utilizing Japanese technologies for the projects of the North-South Line extension and East-West Line development. President Joko Widodo appreciated Prime Minister's offer and reaffirmed Indonesia's commitment to the development of the MRT network in close partnership with Japan.

35 GW program

17 Both leaders look forward to the completion of projects including Central Java one and totaling more than 8 GW in which Japanese companies

have been engaging. Prime Minister Abe expressed Japan's strong commitment to furthering cooperation in the implementation of Indonesia's 35 GW program through gathering public and private activities. With a view to facilitating this commitment, both leaders reaffirmed the importance of promotion of quality infrastructure investment, along with utilizing domestic energy resources such as natural gas, coal, geothermal and hydro power in Indonesia, and President Joko Widodo expressed his intention to increase the frequency of dialogues with Japanese companies and to take necessary actions for them to contribute to the realization of this program.

Java-Sumatra Interconnection Transmission Line Project

18 Toward the realization of the commitment of both leaders expressed on Japan-Indonesia Joint Statement in 2015, and the implementation of the Java-Sumatra Interconnection Transmission Line Project, President Joko Widodo expressed Indonesia's intention to review the said project to update its financing needs by taking into account the current and future demands for electricity supply in Java and Sumatra.

Masela Gas Block development

19 Both leaders affirmed the importance of accelerating and concluding negotiation as soon as possible in a mutually beneficial way on the Masela Gas field development, which is crucial for stable energy supply for Japan and the economic development of Indonesia.

Information and Communication Technology

20 Prime Minister Abe expressed Japan's interest in participating in the development of the improvement of TV Transmitting Stations Phase III Projects. President Joko Widodo took note of Japan's interest.

Culture and others

Expansion of people-to-people exchange

21 In recognition of the upcoming 60th anniversary of the bilateral

diplomatic relations in 2018, both leaders made a strong commitment to expanding people-to-people exchange encompassing religious, academic and educational leaders and experts. They also put importance on further cooperating in expanding learning opportunities for respective cultures and languages through dispatching *Nihongo Partners* (Japanese language education assistants) among others. They also shared the intention to expand sports-exchange, in recognition of the ASEAN Plus Japan Ministerial Meeting on Sports (AMMS+Japan) in 2017, Asian Games Jakarta-Palembang in 2018, Tokyo 2020 Olympic and Paralympic Games and Asian Games Aichi-Nagoya in 2026.

The remains of Japanese soldiers of World War II

22 Both leaders shared their intention to accelerate coordination to resume the activities of collection and repatriation of the remains of Japanese soldiers of World War II in Indonesia.

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