

*The Joint Press Release by the Ministry of Foreign Affairs of Japan and
Coordinating Ministry of Maritime Affairs of the Republic of Indonesia on the
occasion of the visit of Coordinating Minister for Maritime Affairs Lt. Gen. (Retired)
Luhut B. Pandjaitan to Japan*

On the occasion of the visit of Coordinating Minister for Maritime Affairs of the Republic of Indonesia, Lt. Gen. (retired) Luhut B. Pandjaitan to Japan from 12th to 13rd December 2017, H.E. Mr. Kazuyuki Nakane, State Minister for Foreign Affairs of Japan met with Minister Luhut on 13th December. Both Ministers held the Japan-Indonesia Maritime Forum as follows.

1. The Japanese government referred to its “Free and Open Indo-Pacific Strategy,” and the Indonesian government referred to its “Global Maritime Fulcrum” vision. As two major maritime countries whose national interests span the Indian and Pacific Oceans, the two Governments recognized that there were important commonalities between their respective policies, such as developing maritime infrastructure and connectivity, strengthening maritime security and safety, and the importance they attach to a free and open maritime order based on the rule of law. Therefore, the two Governments concurred that it is natural that they would explore the possibility of synergizing their respective policies and further enhance maritime cooperation through, for instance, this Forum based on these respective policies and the principle of equality, mutual benefit, as well as mutual trust and their desire to maintain stability, security and peace in the region.
2. The Ministers, recalling the successful Japan-Indonesia summit meeting on the occasion of ASEAN Summit, discussed concrete projects for cooperation in the maritime field. In addition, the Ministers took the opportunity of this Maritime Forum to discuss cooperation projects in other fields as well. As a result of their discussion, the Ministers shared the recognition on progress of Japan-Indonesia bilateral cooperation and committed to further efforts in areas such as Security and Safety in the Maritime Field, Remote-Islands Development, Energy and Electricity, Infrastructure and Connectivity, and Vocational Training, including as below as well as international cooperation among archipelagic and island states.
3. Noting that the year 2018 marks the 60th anniversary of Japan-Indonesia diplomatic relations, the Ministers are committed to cooperating closely to

further advance these projects in the coming year.

(1) Security and Safety in the Maritime Field

- a) The two Governments shared the view that the South China Sea holds vital sea lanes of communication for global economic activity and viability. In this regard, both Governments stressed the importance of promoting maritime security and safety, freedom of navigation and overflight and unimpeded commerce and peaceful resolution of disputes in full compliance with the universally recognized principles of international law including the 1982 UN Convention on the Law of the Sea (UNCLOS). The two Governments welcomed the progress of ongoing negotiations for the Code of Conduct (COC) in the South China Sea and stressed the importance of an early conclusion of an effective COC. The two Governments emphasized the importance of non-militarization in the South China Sea.
- b) Based on the basic framework of JICA/JCG (Japan Coast Guard) – BAKAMLA (Indonesian Maritime Security Agency) cooperation, signed on 17th October 2017, the two Governments are committed to starting the cooperation for the maritime security and safety from Japanese fiscal year (JFY) 2018 to JFY2020.

(2) Archipelagic and Island State

- a) Indonesia and Japan recognizes the common challenges and threats that archipelagic and island nations face in relation to sustainable development and climate change.
- b) Indonesia and Japan see the importance of concrete cooperation among archipelagic and island nation to resolve the shared challenges. Indonesia will organize a conference at ministerial level to establish Archipelagic and Island State Forum. Japan welcomes Indonesian efforts to address these issues and seriously considers how to support this Indonesian initiative.

(3) Vocational Training

The two Governments welcomed a new Gadjah Mada University loan project signed last November, which includes the improvement of the educational environment via construction of vocational training facilities, where 8000 students will receive vocational education and training in an adequate environment. They also recognized the possibility of promoting educational cooperation with other higher education institution. The aim of bilateral cooperation in this area is to advance human resource development and

contribute to industrial development in Indonesia.

(4) Economic Development including Infrastructure and Connectivity in the Maritime Field

1) Energy & Electricity

- a) Japan and Indonesia would accelerate their joint efforts to implement the LNG Distribution and Power Plants in Eastern Indonesia. Both Governments also committed to working together for realization of the project and the preparation for the 1st WG to discuss the project details including laws and regulations, which will be held at the earliest timing.
- b) The two Governments exchanged views and affirmed importance of the cooperation for the development of offshore oil and gas fields including projects in the Indonesian continental shelf, which is crucial for stable energy supply for Japan and the economic development of Indonesia.
- c) The two Governments shared the recognition on the importance of private sector's role in electric power development and the necessity to ensure stable investment environment including the need to address the electricity tariff issue.
- d) Japan and Indonesia would work together for further progress of projects such as Java-Sumatra Interconnection Transmission Line Project etc.
- e) The two Governments recognized the success of the Indonesia–Japan Waste-to-Energy Study Tour from 27th November to 1st December 2017 based on Comprehensive Cooperation Program on Introduction of Waste-to-Energy Technology to Indonesia. They also reconfirmed their commitment to the success of the second meeting of Indonesia-Japan Joint Meeting Committee on Waste-to-Energy Development, which will be held either in January or in February 2018 in Jakarta.

2) Infrastructure

- a) Patimban Port Project: The two Governments reconfirmed the commitment of their leaders to ensure this port to be operated jointly by Indonesian and Japanese companies. The Government of Indonesia stated that the selection process of its operators would be immediately established along their leaders' commitment in order to avoid delays in the construction schedule. The Government of Japan appreciated the efforts by Indonesia.

- b) MRT Project: The two Governments appreciated the progress made thus far in the MRT project and strongly encouraged its implementing agencies to ensure the safe and speedy construction of the MRT, especially its first phase of the North-South Line. The two Governments reaffirmed their intention to the development of the MRT network including the North-South Line extension and the East-West Line development, according to the Joint Statement.
- c) Java Northern Line Upgrading (Jakarta-Surabaya Express Railway) Project: The two Governments appreciated the contribution of BPPT and JICA team to the Pre-Feasibility Study for this project. They welcomed the successful seminar held by Ministry of Transportation at Gadjah Mada University on 7th December 2017. They are also committed to further acceleration of this project.
- d) Trans-Sumatra Toll Road: Both Ministers recognized that the two Governments would facilitate the cooperation on the Trans-Sumatra Toll Road in accordance with the Japan-Indonesia summit meeting dated on 12th November 2017 in Manila.
- e) Jakarta Sewerage: Both Ministers also recognized that the two Governments would work together for the swift implementation of the Jakarta Sewerage Project Zone 1 and Zone 6 in accordance with the above-mentioned summit meeting.

3) Remote-Islands Development

- a) Tourism: The two Governments shared the importance of encouraging two-way visits between Indonesia and Japan to enhance economic development and deepen mutual understanding of both nations. The Government of Indonesia pointed out that the increase of Japanese tourists to Indonesian outer islands was also highly important. For this purpose, they decided to co-host the ASEM Symposium on Promoting Tourism in Jakarta in early next year.
- b) Fisheries: The two Governments shared the view that the grant for fisheries sector in outer islands should be steadily implemented and committed to further facilitation of the other projects of the policy package for outer island development such as provision of radar system, patrol vessels and space technology in accordance with the Indonesia-Japan Joint Press Release dated on 6th September 2017.

4) Other issue:

IMF-WB annual meetings: Both Governments shared the importance of IMF-World Bank annual meetings to be hosted by the Government of Indonesia

in Bali year 2018. The Government of Japan expressed its willingness to support Indonesia for the success of this meeting in close collaboration with JICA and JBIC. The Government of Indonesia welcomed Japan's support.

In addition to the Maritime Forum, the two Ministers also discussed other important economic issues such as

- a) EV: The Government of Indonesia explained its new initiative about EV in Indonesia. The Government of Japan explained that it had already assisted the promotion of Next Generation Eco-Friendly Vehicles in Indonesia by providing grant for this purpose and expressed its desire to seek the possibility to promote bilateral cooperation along its initiative.
- b) Indonesia-Japan Public Private Dialogue: The two Governments strongly welcomed the success of Indonesia-Japan Public Private Dialogue on 6th December 2017, hosted by the Jakarta Japan Club, an association of Japanese companies and residents with Minister Luhut for business environment improvement. They confirmed to follow-up the issues raised by Japanese companies such as the negative list, import regulation, electricity, MRT, taxation and visa issues. The second dialogue will be hosted by Minister Luhut next year.