

Japan-Malaysia Cooperation  
- Look East Policy Revisited in the New Era-  
Tokyo, 31 May 2019

1. Mr. Shinzo Abe, Prime Minister of Japan, and Tun Dr. Mahathir bin Mohamad, Prime Minister of Malaysia, held a bilateral meeting on 31 May 2019 in Tokyo, Japan.
2. During the meeting, Prime Minister Abe expressed his respect and admiration to Prime Minister Mahathir for his leadership in bringing the country back on track, moving forward further progress and development. Prime Minister Abe also expressed his gratitude to Prime Minister Mahathir for his commitment to reinforcing the bilateral relationship between Japan and Malaysia through the rejuvenation of the Look East Policy.
3. Prime Minister Mahathir responded by expressing his appreciation to Prime Minister Abe for the prompt assistance rendered by Japan since the new *Pakatan Harapan* (Coalition of Hope) government was formed in May 2018. Both Prime Ministers shared the view that the joint efforts and collaborations undertaken by both governments would contribute toward reinforcing the strategic partnership between Japan and Malaysia. The scope of collaboration is manifested in the following areas:
  - 3.1 Both Prime Ministers welcomed the successful issuance of the 200-billion-yen Samurai Bond (approximately Ringgit Malaysia 7.4 billion) guaranteed by JBIC in March 2019. The bond is expected to help improve Malaysia's fiscal sustainability and strategic resilience. Prime Minister Abe expressed JBIC's readiness to consider further support if Malaysia wishes to issue additional Samurai Bonds in the future. Prime Minister Mahathir expressed his appreciation for the support and invited Japan to issue their bonds or *sukuk* in Malaysia. Strategically, this would enhance financial portfolios and minimize the foreign exchange risks for Malaysia.
  - 3.2 Both Prime Ministers affirmed the steady progress made toward the establishment of a branch campus of a Japanese university in Malaysia. They recognized the strong interest expressed by the University of Tsukuba to establish its branch campus in Malaysia. Once established, it will be the first Japanese university's branch campus to be built outside of Japan. Both Prime Ministers emphasized that both countries should continue to cooperate and support each other for this historic endeavor.
  - 3.3 Both Prime Ministers took note that a comprehensive research for transport improvement in Malaysia is currently underway by a Japanese team. The research, covering land, sea and air transport, and both passenger and freight transport in scope, is in steady progress and a final report is expected to be submitted in August 2019. The research would include suggestions for an optimal composition of different modes of

transport and ways to making full use of the existing train network. Both Prime Ministers expressed their expectations that the final report would offer a prescription for improving the effectiveness of each mode of transport, namely, rail, road, airport and port, and interconnectivity among them. Prime Minister Mahathir also expressed his gratitude for the human resource training programs for Malaysian railway engineers provided by JR Kyushu and JR Freight.

3.4 Both Prime Ministers recognized the importance of promoting defense cooperation based on the existing agreement on the transfer of defense equipment and technology, as well as the memorandum on defense cooperation and exchanges. They shared the view that Japan and Malaysia should work together toward realizing freedom, openness, prosperity and peaceful co-existence based on the rule of law in the Indo-Pacific region that stretches on both sides of the Straits of Malacca covering the South China Sea and the Indian Ocean.

3.5 Prime Minister Mahathir stressed the need for maintaining navigational safety in the Straits of Malacca and sought support from Japan in this regard. Prime Minister Mahathir also expressed Malaysia's interest to learn the management and response to oil-spill incidents from Japan. Prime Minister Abe took note of the interest and expressed Japan's readiness to share with Malaysia the experience in handling oil-spill incidents, citing Japan's cooperation, both by public and private sectors, in enhancing the safety of navigation in the Straits of Malacca for the past 50 years.

4. Both Prime Ministers shared the view that the Look East Policy, advocated by Prime Minister Mahathir 38 years ago, has been a beacon for the two nations, and will continue to provide impetus for amicable and mutually-beneficial relationship between Japan and Malaysia. By revisiting the Look East Policy, both Prime Ministers reaffirmed that the multi-layered strong bonds between Japan and Malaysia are founded on this policy. They further expressed their continued commitment to forging the common principles of the rule of law, justice, openness, human rights and fundamental freedoms with a view to realizing a just, democratic and harmonious environment.

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