#### JAPAN'S DIPLOMATIC STRUCTURE

#### (a) Overview

With the globalization of the international community and consequent interdependence of countries intensifying, the volume of work handled by the Ministry of Foreign Affairs (MOFA) has increased steadily in recent years. The diplomatic challenges facing Japan are growing and expanding in both qualitative and quantitative terms, as well as becoming more complex. In order to respond more actively and promptly to these challenges, MOFA, as part of its reform, is improving and strengthening Japan's diplomatic structure.

#### (b) Strengthening Information-Gathering and Analysis

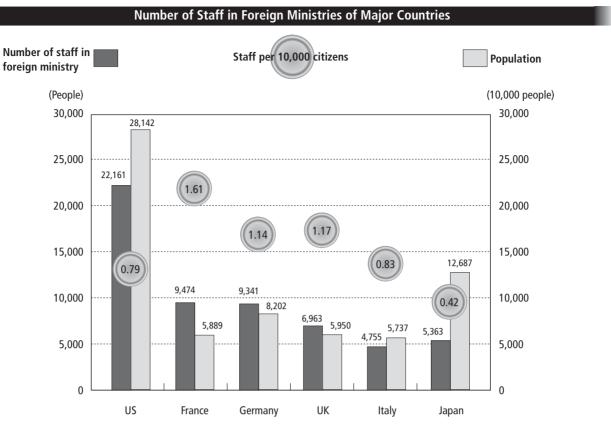
With today's constantly changing international situation, the accurate collection and analysis of information is crucial for Japan as it strives to carry out robust diplomacy and protect its national interests. The terrorist attacks in the United States on September 11, 2001, have, in particular, heightened the need to strengthen information-gathering and the analysis structure. MOFA has harnessed a close network centered on its diplomatic missions to gather information from a broad range of areas and engage in a comprehensive analysis of the international situation. Given the complexity and fluidity of the current international situation, however, MOFA is making efforts to strengthen the partnership between the department in charge of collecting and analyzing information and the policy-making departments, as well as to enhance further its informationgathering and analytical capabilities. MOFA is currently advancing research into the use of satellite imagery to ensure the effective use of the Information-Gathering Satellite system to be introduced by the Government of Japan as part of its diversification of means for information-gathering. MOFA is also assisting the efforts of the Government in the project through measures such as dispatching staff to the Cabinet Satellite Intelligence Center, which will operate the satellite system.

### (c) Efforts regarding Budgeting, Diplomatic Organizations and Staffing

With respect to the budget, the Government made severe expenditure revisions across the entire spectrum in the FY2002 budget formulation, including the Official Development Assistance (ODA) budget. MOFA worked to allocate its budget in a more strategic and focused manner, and as a result its final budget came to 746.6 billion yen, a reduction of 2.2% from the previous year. Specifically, the budget is allocated around the following two pillars:

- (1) Improvement and strengthening of diplomatic policies (promotion of Asia-Pacific diplomacy, contributions to global stability, promotion of reform toward new ODA for the 21<sup>st</sup> century, promotion of international cultural exchange).
- (2) Strengthening of organizational capability (embodiment of the Outline of MOFA Reform Programs, development of an integrated information and communications system, revision of staffing and organizations).

With regard to organization, MOFA has begun to reform by enhancing its existing audit system with the participation of certified public accountants and other external experts so as to develop a structure that will eliminate fraud and suspicion. At the same time, the position of director-general for inspection was created to which an incumbent prosecutor was assigned, and an auditing system for MOFA headquarters was established. The logistical support for overseas visits by the prime minister and the foreign minister were consolidated under the deputy chief of protocol, who is in charge of duties involving overseas visits by the Imperial Family and visits to Japan by state guests and official guests. With the renaming of the position to senior director of protocol, MOFA made efforts to rationalize the administrative structure for VIP visits. With respect to overseas diplomatic establishments, the Permanent Delegation of Japan to the United Nations Educational, Scientific and Cultural Organization (UNESCO), an institution that upholds the principle of



Notes: 1. This graph shows the number of employees for Japan as of the end of FY2002, while for other countries the figures are derived from surveys in 2001. However, as the structures and mandates of foreign ministries in each country vary, it is not necessarily appropriate to make simple comparisons of employee numbers in each foreign ministry. In this table, therefore, employees in related institutions which in other countries assume responsibility for fields that in Japan are the domain of MOFA (i.e., the United States Agency for International Development and the German Federal Ministry for Economic Cooperation and Development) are included in the figures.

2. Population figures from UN statistics (estimated as of mid-2000).

promoting world peace through such means as education and culture, was established in order to boost the positive role of Japan in the organization. This development brought the total number of Japan's overseas diplomatic and consular establishments as of the end of FY2002 to 189: 116 embassies, 66 consulates-general and seven permanent missions or delegations.

In terms of staffing, MOFA maintained its focus on strengthening Japan's crisis-management and security systems as an urgent government matter. As a result, in spite of the harsh budgetary and employment situation, MOFA in FY2002 increased the number of personnel at the ministry headquarters by 30 and at overseas diplomatic and consular establishments by four, for an overall increase of 34 and taking the total number of staff to 5,363 (2,114 at the ministry headquarters, 3,249 at overseas diplomatic and consular establishments).

While the ministry is looking to increase its staffing, it is also working to utilize the existing staff more effectively and rationalize administrative and clerical work.

## (d) Advancing the Adoption of Information and Communications Technology

With regard to the enhancement of information management, MOFA established in 1995 a local area network (LAN)<sup>4</sup> that connects the ministry headquarters and Japan's overseas diplomatic missions, as a means to develop its Information and Communications Technology (ICT) infrastructure. MOFA is expanding the LAN, especially in overseas diplomatic establishments, while ensuring information security, and it plans to build the LAN into all overseas diplomatic establishments.

<sup>&</sup>lt;sup>4</sup> Also known as an in-house information and communications network, LANs connect computers within limited areas, be it the same office or building, to facilitate the exchange of data. The system enables various functions such as e-mail and file-sharing.

As part of the Government's drive to realize electronic government, MOFA is working on the creation of a common infrastructure system<sup>5</sup> that will allow the electronic submission of applications and notifications by Japanese citizens and others. This will enable the public to access a newly-created Internet website to submit applications and notifications while coordinating with the ministry on-line.

With the comprehensive and well-planned adoption of ICT in these and other services administered by MOFA, the ministry is striving to enhance its information-processing capability, rationalize its administrative work and improve the services it provides to the public.

#### (e) Crisis-Management System

MOFA is making every possible effort to respond appropriately in full coordination with its overseas diplomatic missions to emergency situations that may threaten the lives of a large number of Japanese nationals residing overseas, such as natural disasters, large-scale accidents, hijacking and terrorist incidents, kidnappings, civil unrest, coups d'état and riots.

In order to reinforce further the system for responding to these kinds of emergencies, MOFA established the Crisis Management Coordination Office under the deputy vice-minister, who is also the crisis management officer. The office supports and coordinates the work carried out by departments such as the Foreign Policy Bureau, the Consular and Migration Affairs Department and the bureaus in charge of each region relating to crisis management, and also prepares crisis management systems before crises occur.

# (f) Promotion of Information Disclosure

The Law Concerning Access to Information Held by Administrative Organs entered into force in April 2001, and MOFA received around 3,400 requests for information disclosure by the end of 2002. (Of these requests, decisions were taken on 2,556 cases, of which information did not exist in 503 cases, and 492 cases were designated as information that could not be disclosed at all. Major reasons cited for non-disclosure included

"risk of damage to trustful relations with other countries or international organizations" and "risk of causing a disadvantage in negotiations with other countries or international organizations," as provided for in Article 5, Section 3 of the law.) In order to fulfill its duty to explain its operations to the public, MOFA responds sincerely to information disclosure requests, taking into account a certain degree of protection for national security, trustful relations with other countries, interests in diplomatic negotiations and individual privacy. And of the documents disclosed under the law, MOFA is exhibiting highly valuable historical documents at the Diplomatic Records Office.

Furthermore, in addition to documents disclosed under the law, MOFA since 1976 has been voluntarily releasing to the public postwar diplomatic records that are 30 years old. These are available for public viewing at the Diplomatic Records Office. MOFA intends to enhance further this system whereby documents are voluntarily released en masse by category.

# (g) Strengthening Support for the Foreign Business Activities of Japanese Companies

In the context of deepening globalization, Japanese diplomacy has an increasingly significant role in creating an environment conducive to the business activities of Japanese companies overseas. MOFA has set up business support contact points in Japanese embassies and consulates-general to listen actively to the wishes of Japanese companies entering the local economy and to call on relevant authorities to ensure their fair treatment and improve the business environment. MOFA is also working to support business expansion opportunities through arranging meetings with eminent figures in host countries and by providing relevant information. Moreover, the ministry is creating the legal and institutional infrastructure through, for example, the conclusion of economic partnership agreements and social security agreements as part of its support for the activities of Japanese companies overseas.

In the case, for example, of a six-and-a-half year old issue where abandoned and uncollected export

<sup>&</sup>lt;sup>5</sup> A general purpose system allowing a connection with Certification Authorities and on-line implementation of administrative procedures including the reception of applications and provision of results.

payments of a company for which the judicial decision of the partner country had not been executed, MOFA assisted in achieving a settlement to resolve the case in 2002. There have also been cases where the ministry has encouraged partner countries to amend their systems, resulting in the easing of conditions of residence for spouses of company employees posted overseas among other benefits. MOFA also conducts surveys in an effort

to gain a better grasp of the difficulties and desires of Japanese companies active overseas. Based on the results of these surveys, the ministry will continue to enhance this type of assistance for companies, while continuing to seek closer communication and partnership between overseas diplomatic establishments and Japanese companies.

#### Column

#### Supporting the Activities of Japanese Companies by the Consulate General

As a result of China's entry into the World Trade Organization (WTO) at the end of 2001, a large number of foreign companies have moved into the Yangtze River Delta area, which is centered on Shanghai city. In 2001, Japan became the world's number one investor in Shanghai city, and by December 2002 there were about 3,600 Japanese companies operating there, 5,000 if branches are included. Recently, Japanese companies have been moving in at a rate of one or two per day, and it is thought that this trend will continue for the time being. Given this situation, Japanese companies are encountering various problems, and the Japanese Consulate General in Shanghai is being presented with an ever increasing number of requests for help. The Consulate General, when helping companies deal with their problems, provides comprehensive information to the companies and gives advice to them. At the same time, we help to achieve a quick resolution of issues where necessary, by lobbying the local government. There have been quite a number of cases where this kind of assistance has led to the resolution of problems.

There was one case, for example, in which a Japanese company was suddenly given an eviction notice by the local government, which was intending to use the land for a public facility. The Consulate General positioned itself between the two parties and pressed the local government for an amicable settlement. The result was a satisfactory agreement to the representatives of the Japanese company, whereby the eviction deadline was extended and the company was compensated for economic loss. Then there was a situation where a Japanese architectural firm was contracted to design a public building but was not paid its design fee. The Consulate General lobbied the local government, with the bill being paid and an amicable settlement achieved. Furthermore, there have been a number of instances in which Japanese companies appealed to the Consulate General for help because they felt they did not receive a fair or just trial when they initiated litigation. The

Consulate General lobbied relevant bodies in order to achieve resolutions to these disputes that were acceptable to all parties. In addition, we often offer advice on problems arising from customs procedures at the Customs Office and the State Administration for Entry-Exit Inspection and Quarantine of the People's Republic of China (CIQ-SA), the dismissal of Chinese employees, fraud involving partners in company mergers, the protection of intellectual property rights and other issues.

The Consulate General is working toward the safeguarding of the rights of Japanese companies in China and trying to improve the investment climate there, by positively supporting Japanese business activities through a problem solution process. (Photo)

Economic Section of the Japanese Consulate General in Shanghai