

F The Middle East and North Africa

(a) Overview

Ensuring the peace and stability of the Middle Eastern region, a major supplier of energy to the world, is an important issue directly connected to the peace and prosperity of the international community as a whole, including Japan.

From this point of view, the steady progress of reconstruction in Afghanistan and its ongoing rebirth as a democratic state are welcomed. Achieving stability and reconstruction in Iraq is also an urgent challenge for the international community, which must unite to support the endeavors of Iraqis themselves toward national reconstruction. Japan has been making the utmost efforts to assist in the reconstruction of Iraq, providing both a personnel contribution through the Self-Defense Forces (SDF) and aid through Official Development Assistance (ODA). Japan is committed to continuing such assistance.

Peace and stability cannot be achieved in the Middle East without progress in the Middle East Peace Process. Japan will play an even more active role in order to advance the peace process.

Japan has been making tireless diplomatic efforts to strengthen its relations with the Gulf countries with the aim of attaining peace, stability, and prosperity in the Middle East, while taking into account the various circumstances of these countries.

Moreover, Japan has been assiduous in a positive diplomacy to make relations with Middle Eastern countries broader and deeper through regular exchanges of opinion, for example, on occasions of the comings and goings of senior government figures or through the promotion of dialogue with Arab and Islamic countries. In 2004 Japan engaged in lively diplomatic exchange with Middle Eastern countries. Government dignitaries visiting Japan included Prime Minister Recep Tayyip Erdogan of Turkey (April), Deputy Prime Minister and Minister of State for Foreign Affairs Sheikh Hamdan bin Zayed Al Nahyan of the United Arab Emirates (April),

First Deputy Prime Minister and Minister of Foreign Affairs Sheikh Hamad bin Jassim bin Jabor Al Thani of Qatar (June), Prime Minister Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah of Kuwait (July), Deputy Prime Minister and Minister of Defense Sheikh Jaber Al-Mubarak Al-Hamad Al-Sabah of Kuwait (November), President Abdelaziz Bouteflika of Algeria (December), and His Majesty King Abdullah II of the Hashemite Kingdom of Jordan (December). Japan dispatched the Second Japan–Middle East Cultural Exchanges and Dialogue Mission¹ to Iran and Jordan in September and held the third seminar “Dialogue Among Civilizations between Japan and the Islamic World”² in Iran in November. Furthermore, the Japan–Arab Dialogue Forum³ was held in March 2004 and January 2005 in Egypt and Saudi Arabia, respectively. The fact that Japan, partly as a result of these efforts, was invited for the first time to the Arab Summit held in Tunisia in May 2004 deserves special mention.

(b) Iraq⁴

Progress in the Political Process

In 2004 the Iraqi Governing Council and the Coalition Provisional Authority (CPA)⁴ began serious consideration of the date and methods of the National Assembly election and other polls. With reference to a February 2004 report by a United Nations (UN) election observation team headed by Lakhdar Brahimi, the UN secretary-general’s special advisor, they set about establishing the Law of Administration for the State of Iraq for the Transitional Period (the so-called Transitional Administrative Law [TAL]) to stipulate the political process whereby Iraq would shift to a democratic system.

The TAL, which was signed by members of the Iraqi Governing Council on March 8, 2004, stipulated the political process as follows:

- (1) The formation of a fully sovereign Iraqi Interim Government that takes power on 30 June 2004;
- (2) The formation of the Iraqi Transitional Government, which will take place after elections for the Na-

1. Under the project of the Japan–Middle East Cultural Exchanges and Dialogue Mission, experts from various fields in Japan were dispatched to Middle Eastern countries, conducting discussions with scholars, cultural figures, artists, etc. in the recipient countries, holding symposia on the theme of “tradition and modernization,” and working for cultural exchange through sports.

2. These seminars are held under the “New Concept Toward the Promotion of Multilayered Relations with the Gulf Countries” (launched in January 2001 and commonly known as the Kono Initiative) with the aim of promoting mutual understanding between intellectuals in Japan and the Islamic world. The first seminar was held in Bahrain in March 2002; the second seminar was held in Tokyo in October 2003.

3. At this informal forum, influential intellectuals close to the leaders of Japan, Egypt, and Saudi Arabia had an open exchange of opinions on measures to strengthen cooperation between Japan and the Arab countries in various fields.

tional Assembly have been held, provided that, if possible, these elections are not delayed beyond 31 December 2004, and, in any event, beyond 31 January 2005.

- (3) The National Assembly shall write the draft of the permanent constitution by no later than 15 August 2005.
- (4) The draft permanent constitution shall be presented to the Iraqi people for approval in a general referendum to be held no later than 15 October 2005.
- (5) The new government shall assume office no later than 31 December 2005, and TAL shall cease to have effect upon the formation of an elected government pursuant to a permanent constitution.

(Photo)

After receiving a mandate from UN Secretary-General Annan, UN Special Advisor Brahimi entered Iraq on May 6, 2004, and then listened widely to the opinions of members of the Iraqi Governing Council and leaders of the main factions in Iraq. On June 1 he announced the members of the Interim Government with President Ghazi al-Yawer, two vice-presidents, and 33 ministers including Prime Minister Iyad Allawi.

On June 8 the UN Security Council unanimously adopted Resolution 1546, which expressed the international community's support for the above-mentioned political process. It also clarified the tasks and term of presence of the multinational force, requested member countries' cooperation in reconstruction assistance for Iraq, and stated that the special representative of the UN secretary-general and the UN Assistance Mission for Iraq (UNAMI) should play a leading role in support for the political process and also in humanitarian and reconstruction assistance. On June 28 governing authority was transferred from the CPA to the Interim Government of Iraq, as a result of which the CPA was dissolved and full sovereignty was restored to Iraq.

In view of the fact that UN Security Council Resolution 1546 stated clearly the UN's role in the political process and the reconstruction of Iraq, Ashraf Jehangir Qazi, then Pakistani ambassador to the United States (US), was appointed as the Special Representative of the UN Secretary-General for Iraq on July 12; he entered Baghdad on August 13.

The National Conference convened from August 15 to 18 and chose 100 members of the Interim National Assembly. About 1,300 people participated in the conference, including the Special Representative of the UN Secretary-General Qazi, representatives from Iraq's 18 governorates, political party and religious leaders, and non-governmental organization (NGO) representatives.

Regarding the election to choose the members of the National Assembly and other bodies, the Independent Electoral Commission of Iraq (IECI) was formed on May 30 as the election implementing organization. It set about making the necessary preparations, receiving assistance from the UN election support team. The reg-

4. (Developments up to the end of 2003) After the Gulf War of 1991, Iraq had continuously violated its obligations under a series of resolutions by the UN Security Council, including its cooperation in inspections relating to weapons of mass destruction (WMD), and the Security Council recognized this action to be a major threat to the peace and stability of the international community. In November 2002 the Security Council unanimously adopted Resolution 1441, which gave Iraq a last chance to accept inspections. Since Iraq had not complied with the series of resolutions, the US, the United Kingdom (UK), and others embarked on military action in March 2003 on the basis of the Security Council resolution. In May of that year they seized control of the whole country and declared that major combat had come to an end. Regarding this military action and the form of reconstruction in Iraq after the military action, although there were some different views among the principal countries, Security Council Resolution 1483, which requested UN member countries to cooperate in humanitarian and reconstruction assistance and the recovery of stability and security in Iraq, was unanimously adopted in May 2003. Therefore, the CPA, which was established in Iraq by the US, the UK, and others, came to have temporary governing authority. Also, the Iraqi Governing Council, consisting of 25 members, including leaders of the main factions and powerful clans in Iraq, was inaugurated in July 2003 with the aim of enabling the Iraqi people to participate in the state governance. After the military action, on the public security side, attacks by supporters of the former regime and other insurgents steadily escalated. From May 2003 US and UK forces became the main targets of attacks, while attacks on soft targets also became prominent. For example, the UN headquarters in Baghdad was targeted in a terrorist bomb attack in August 2003, and two Japanese diplomats were killed in November of that year.

Regarding reconstruction after the military action, Security Council resolutions requested assistance from countries, and the International Conference on Reconstruction in Iraq was held in Madrid in October 2003 with the aim of establishing an international cooperation setup. At this meeting, the international community as a whole pledged financial cooperation totaling more than US\$33 billion. Japan announced assistance of up to US\$5 billion. (For an explanation of these developments, see *Diplomatic Bluebook 2004*.)

Chronology of the Situation in Iraq

1990 Aug 2	Iraqi forces invade Kuwait; resolution condemning the invasion of Kuwait (Security Council Resolution 660)
Nov 29	Resolution on the authority to use force against Iraq (Security Council Resolution 678)
1991 Jan 17	Use of force by coalition forces (air strikes) begins (Ground combat lasts from Feb 24 to 28)
Apr 3	Resolution for ceasefire against Iraq (Security Council Resolution 687)
1996 Dec 10	Oil for Food Program is implemented
1998 Dec 17–20	US and UK forces attack Iraq (Operation Desert Fox)
1999 Dec 17	Security Council adopts Resolution 1284, which establishes the UN Monitoring, Verification and Inspection Commission (UNMOVIC) as well as the relationship between the implementation of inspections and moratorium on economic sanctions
2001 Sep 11	Terrorist attacks in the US
2002 Nov 8	UN Security Council holds formal consultations and unanimously adopts Resolution 1441, which urges Iraq to accept fully the WMD inspections
2003 Mar 20	US forces begin attack on Iraq (Operation Iraqi Freedom) and Australian forces join war
Apr 9	Baghdad effectively collapses
May 1	President Bush declares major combat operations in Iraq are over
Jun 1	Coalition Provisional Authority (CPA) is established
Jul 13	Iraqi Governing Council established
Jul 26	Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq enacted
Aug 14	Security Council Resolution 1500, which welcomes creation of Iraqi Governing Council and decides on the establishment of the UN Assistance Mission for Iraq (UNAMI), is adopted with the support of a large majority
Oct 16	Security Council Resolution 1511 is adopted; clarifies political process and UN's role in Iraq and refers to establishment of coalition forces
Aug 19	Terrorists bomb the UN headquarters in Baghdad
Oct 23–24	International Conference on Reconstruction in Iraq is held in Madrid
Nov 29	Foreign Ministry staff are killed in Iraq
Dec 13	Former President Saddam Hussein is captured
2004 Jan 19	An advance unit of the Ground Self-Defense Force arrives in Samawah
Feb 7	The UN dispatches an election observation team headed by Special Advisor to the Secretary-General Brahimi; the mission holds discussions with the CPA, Iraqi leaders, electoral district representatives, and others and studies the date of implementation and methods of a National Assembly election
Feb 23	UN Secretary-General Annan announces a report by the UN election observation team that states that an election would be possible at the end of 2004 or immediately thereafter
Feb 28–29	The First Donor Committee Meeting and the Expanded Meeting of the International Reconstruction Fund Facility for Iraq (IRFFI) is held in Abu Dhabi, United Arab Emirates (UAE)
Mar 8	The Law of Administration for the State of Iraq for the Transitional Period (TAL) is signed
Late Mar–Apr	US forces in Iraq strengthen their cleanup operation in Fallujah
Apr	Japanese citizens are taken hostage in Iraq
May 26–27	The Second Donor Committee Meeting and the Expanded Meeting of the IRFFI is held in Doha, Qatar
May 27	Japanese citizens are shot to death in Iraq
May 30	The Independent Electoral Commission of Iraq (IECI) is established
Jun 1	UN Special Advisor Brahimi announces the lineup of the Iraqi Interim Government (President al-Yawer, two vice-presidents, and 33 ministers, including Prime Minister Allawi)
Jun 8	The UN Security Council unanimously adopts Resolution 1546 (approves the political process stipulated in the TAL; clarifies the tasks and periods of presence of the multinational force in Iraq; confirms the leading roles of the UN secretary-general's special representative and UNAMI in supporting the political process and humanitarian and reconstruction assistance)
Jun 18	The cabinet decides that the SDF, which is active in Iraq on the basis of the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq, will remain active as part of the multinational force in Iraq after the restoration of Iraqi sovereignty
Jun 19–Jun 28	US forces in Iraq intermittently air-bomb Fallujah
Jun 28	Governing authority is transferred from the CPA to the Iraqi Interim Government
Jul 12	The SDF, which is active in Iraq on the basis of the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq, begins activities as part of the multinational force in Iraq
Jul 12	UN Secretary-General Annan appoints Ashraf Jehangir Qazi, then Pakistani ambassador to the US, as his special representative to Iraq
Aug–	Fighting begins again in Najaf between the Mahdi private army under Shiite cleric Moqtada al-Sadr on the one hand and Iraqi security forces and the multinational force in Iraq on the other (A ceasefire agreement is reached on August 26 after mediation by Shiite Grand Ayatollah Ali al-Sistani)
Aug 12	The UN Security Council adopts Resolution 1557 extending the mandate of the UNAMI by 12 months
Aug 13	UN Special Representative Qazi enters Baghdad

2004 Aug 15–18	The Iraqi National Conference convenes, attended by 1,300 people, including representatives of Iraq's 18 governorates, political party and religious leaders, NGO representatives, and UN Special Representative Qazi; 100 members of the Interim National Assembly are chosen
Oct 13–14	Iraqi security forces and US forces in Iraq implement a cleanup operation in Samarra The Third Donor Committee Meeting and the Expanded Meeting of the IRFFI is held in Tokyo
Oct 31	A Japanese citizen is taken hostage and murdered in Iraq
Nov 7	Registration of voters, political parties, and candidates for the National Assembly election begins The Iraqi Interim Government orders a state of emergency over the whole of Iraq excluding the Kurdish region in the north
Nov 8	Iraqi security forces and US forces in Iraq begin a cleanup operation against antigovernment armed forces in Fallujah
Nov 23	The G8 and neighboring countries hold a meeting on Iraq (in Sharm El Sheikh, Egypt)
Dec 9	The cabinet decides to amend the basic plan on countermeasures based on the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq and extend the period of dispatch of the SDF until December 14, 2005
Dec 15	Election campaign begins
2005 Jan 30	Elections are held for the National Assembly, the Kurdistan Regional Government, and the Governorate Councils

istration of voters, political parties, and candidates began on November 1, and the election campaign started on December 15.

The international community, and especially the UN, closely watched and supported the progress of the political process, including the implementation of the elections. At a ministerial meeting of the G8 and neighboring countries on Iraq, held in the city of Sharm El Sheikh in Egypt on November 23, which was attended by foreign ministers, secretaries-general, and others from 27 countries and organizations, including Minister for Foreign Affairs of Japan Machimura Nobutaka, the participants unanimously confirmed the international community's commitment to cooperate in the development of the political process, assistance for the reconstruction of Iraq, and resolute measures to combat terrorism. On January 30, 2005, simultaneous elections were held in Iraq for the National Assembly, the Kurdistan Regional Government, and the Governorate Councils. The final results of the elections were announced by the IECI on February 17, 2005.⁵ Japan issued a statement declaring that the implementation of the election was an important step toward democracy in

Iraq. The statement also expressed respect for the efforts of the Iraqi Interim Government in organizing the polls and for the Iraqi people in making their way to the polling stations despite various difficulties, particularly in uncertain public security.

From the standpoint that the reconstruction of Iraq and progress in the political process are indivisible, Japan extended active support for the National Assembly election. Specifically, Japan contributed US\$40 million in election support, implemented training in election management for IECI staff from December 24 to 28, and Japanese embassy officials participated in international observation of the overseas voting in eight countries.⁶

Public Security

After governing authority was transferred to the Iraqi Interim Government, the public security situation in Iraq remained unpredictable, although there were differences in the degree of threat depending on region. Generally speaking, there were frequent outbreaks of clashes between the multinational force and the Iraqi security forces on the one hand and armed insurgents on the

5. The election for the 275-seat National Assembly was carried out through proportional representation in a single nationwide constituency. Voters cast their votes by choosing one out of 111 lists of candidates submitted by parties and individuals to the IECI. Altogether there was a total of 7,761 candidates. Of the approximately 14.66 million registered voters, approximately 8.55 million persons (number of effective ballots: approximately 8.45 million) cast their votes (for a turnout of 58%).

Overseas voting was carried out from January 28 to 30 in 14 countries: Australia, Canada, Denmark, France, Germany, Iran, Jordan, the Netherlands, Sweden, Syria, Turkey, the UAE, the UK, and the US. Of the approximately 280,000 persons who registered as overseas voters, approximately 260,000 cast their votes (for a turnout of 93%).

Regarding the results of the election, the United Iraqi Alliance (consisting of the Supreme Council for Islamic Revolution in Iraq [SCIRI], Daawa Party, and others), which had the approval of Grand Ayatollah Ali al-Sistani, won the largest number of votes (about 4.07 million) and acquired 140 seats. Second came the Kurdish Alliance List, centered on the Patriotic Union of Kurdistan (PUK) and the Kurdistan Democratic Party (KDP); it won about 2.17 million votes and acquired 75 seats. Third came the Iraqi List, centered on a party led by Prime Minister Allawi (about 1.16 million votes, 40 seats). Fourth came the Iraqis, a party headed by President al-Yawer (about 150,000 votes, 5 seats). Eight other lists acquired a total of 15 seats.

6. Japan monitored overseas polling in France, Iran, Jordan, Sweden, Syria, Turkey, the United Arab Emirates, and the UK.

other, and acts of terrorism such as car bombings, as well as the kidnapping and murder of private citizens. In response, the Iraqi Interim Government implemented both tough and conciliatory measures: strengthening its security organization, establishing a decree for the maintenance of public security, declaring a state of emergency, and deciding to grant pardons.

At the end of March 2003, following the killing of an American citizen in Fallujah, the US forces in Iraq bolstered their cleanup operation in the city, and a tense situation continued after April 11, with repeated cease-fires and sporadic fighting. Furthermore, believing that the Jordanian Abu Musab al-Zarqawi, who is supposed to have ties with Al-Qaeda, was hiding in Fallujah, US forces engaged in intermittent air strikes on the city from June 19.

In the Shiite holy city of Najaf, which had been relatively quiet since June, fighting broke out in August between the Mahdi, the private army of Shiite cleric Moqtada al-Sadr, on the one hand and the Iraqi security forces and multinational force on the other. A ceasefire agreement was reached on August 26 through the mediation of the Shiite Grand Ayatollah Ali al-Sistani.

In October the Iraqi security forces and US forces strengthened their resolute stance against the armed insurgents, for example by implementing a cleanup operation in the city of Samarra. On November 7 the Iraqi Interim Government declared a state of emergency throughout the country, excluding the Kurdish region in the north. On November 8 the Iraqi security forces and US forces also began a cleanup operation against antigovernment forces in Fallujah, and by the middle of the month they had gained control over most of the city. Most of the residents of Fallujah, who had evacuated the city before the cleanup operation, began returning to their homes from December 23.

As of the end of January 2005, the public security situation in Samawah, where the SDF are stationed, remained stable compared with other regions of Iraq, although conditions were still unpredictable. For example, rocket bombs were discovered in the SDF camp (although they were unexploded and caused no casualties), and an attack occurred against Dutch forces in the area.

Kidnappings and attacks against foreign citizens occurred frequently in Iraq throughout 2004. The victims were wide-ranging and included company employees, NGO staff, and journalists. Citizens of countries that had not dispatched military forces to Iraq were also among the victims. Several Japanese fell victim to such attacks, following the killing of two diplomats in November 2003. In April three Japanese were kidnapped,

and then two others were also kidnapped near Fallujah; in both of these cases, the hostages were freed. In May, however, two Japanese journalists were murdered on the outskirts of Baghdad, and in October a Japanese was taken hostage in Baghdad and killed.

Japan's Efforts

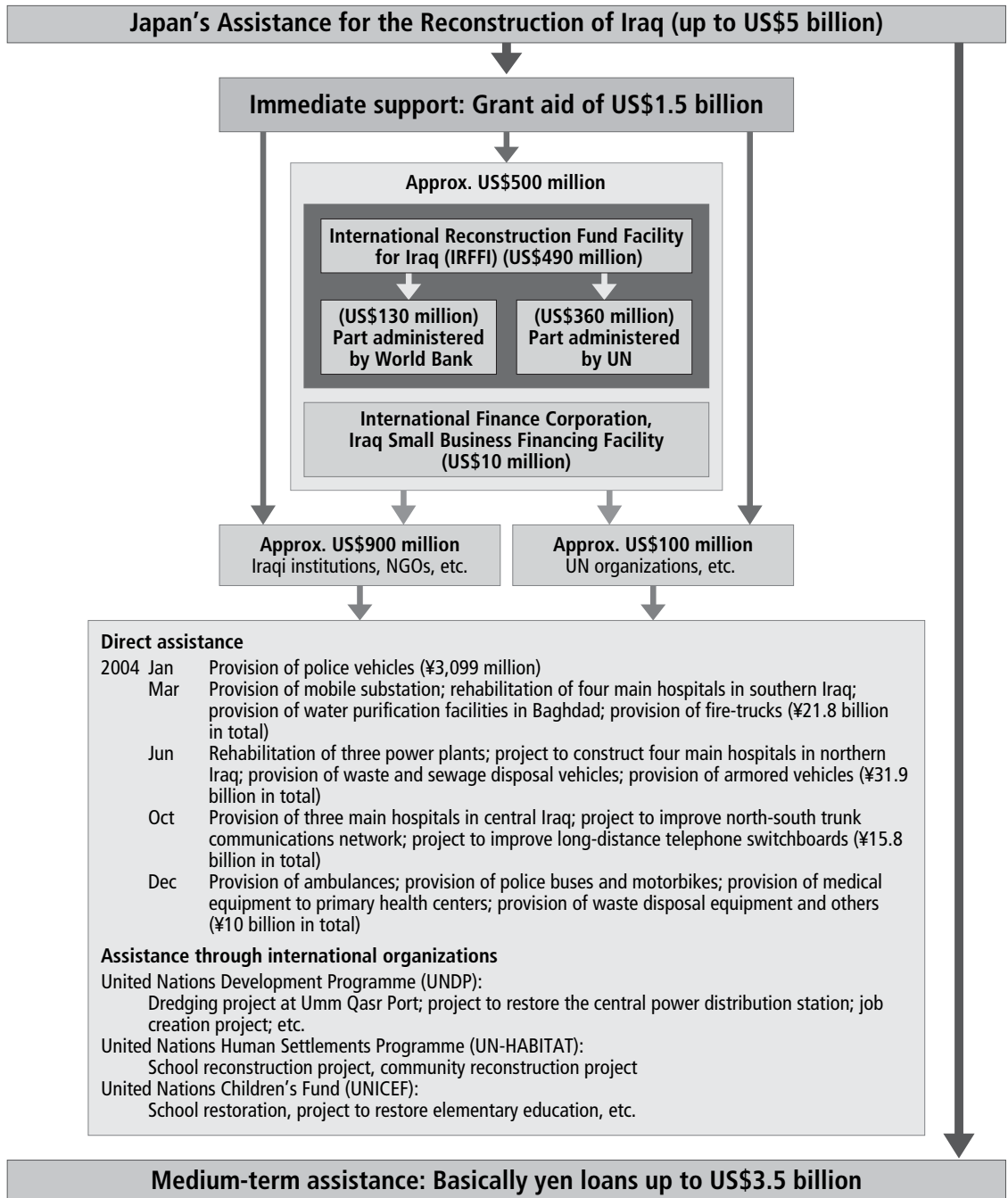
The stability and reconstruction of Iraq is essential for the stability of the international community as a whole. Especially for Japan, which depends on the Middle East for nearly 90% of its crude oil supplies, it is an extremely important issue directly connected with the national interest. Based on the recognition that it is necessary for Japan, as a responsible member of the international community, to extend appropriate assistance for reconstruction of Iraq in cooperation with the US, the UN, other countries, and international organizations, Japan has been making the utmost efforts in the form of both personnel and financing as the two wheels of one cart: dispatching the SDF to Iraq to provide humanitarian and reconstruction support and extending ODA. In addition, Japan has also been assisting Iraq in the fields of culture and education.

(i) Assistance through ODA

Japan's assistance through ODA supports the Iraqi people's own efforts toward economic and social reconstruction and at the same time backs the political process in Iraq. Regarding the assistance of up to US\$5 billion announced by then Minister for Foreign Affairs Kawaguchi Yoriko at the International Conference on Reconstruction in Iraq held in Madrid in October 2003, the emphasis was placed on immediate assistance through grants totaling US\$1.5 billion for projects that would help in reconstructing social infrastructure essential to the Iraqi people's daily lives (electric power supply, education, water supply and sanitation, health and medical service, job creation, others) and improving public security. As of the end of 2004, approximately US\$1.4 billion of this assistance had already been disbursed or decided.

Japan has been assisting Iraq in a variety of ways. The assistance of approximately US\$1.4 billion consists of approximately US\$769 million in direct assistance to the Iraqi Interim Government, including local authorities; approximately US\$101 million through international organizations; US\$490 million through the International Reconstruction Fund Facility for Iraq (IRFFI); and approximately US\$22 million through NGOs. Initially Japan's assistance to Iraq was centered on support through international organizations, but di-

Outline of Japan's Assistance for Iraq



rect assistance was resumed after the adoption of UN Security Council Resolution 1511 in October 2003. This resolution determined that the Iraqi Governing Council was the principal body of the Iraqi interim administration, which embodied the sovereignty of the state of Iraq during the transitional period.

Recognizing that, in addition to direct assistance and financial cooperation through international organizations, human resources development is extremely important for the steady progress of reconstruction, Japan also implements training in neighboring countries like Egypt and Jordan and in Japan itself in such fields as

medicine, electric power, statistics, water resources, water supplies and sewer systems, television broadcasting technology, and election support. As of the end of 2004, a total of 475 Iraqis had received this training.

In the governorate of Al-Muthanna in southern Iraq, to which the SDF have been dispatched, assistance through ODA is organically linked with the activities of the SDF. For example, water-supply vehicles have been provided through ODA for distributing water that has been taken from a canal and purified by the SDF; SDF medical officers have been instructing in the use of medical equipment and materials supplied through ODA; and roads the SDF had paved with gravel were asphalted through ODA cooperation. In addition, Japanese ODA has been contributing to the creation of employment in Iraq by providing financial support to UNDP job creation projects and UN-HABITAT projects for school reconstruction and community reconstruction. In the governorate of Al-Muthanna, the Foreign Ministry operates a liaison office in Samawah staffed by a director and four others. As well as engaging in work relating to the identification and implementation of reconstruction and development projects in coordination with local authorities, this office serves to promote good relations between the SDF and the local community by providing interpreting and information services and so on. It also gathers and analyzes information on political affairs from the governor of Al-Muthanna, the governorate and city councils, and the multinational force and makes preparations for visits to Japan by officials in Al-Muthanna.

Based on the recognition that the strengthening of international coordination is important in assistance for the reconstruction of Iraq, Japan contributed US\$490 million (this total consisted of US\$360 million for the UN part and US\$130 million for the World Bank part) to the IRFFI, the establishment of which was agreed at the above-mentioned conference in Madrid. In addition, Japan has been cooperating in the environmental management of the Mesopotamia Marshlands by contributing to the project of the IRFFI implemented by the United Nations Environment Programme (UNEP) and supporting the UN-HABITAT project for the rehabilitation of educational facilities. Japan's contribution to the IRFFI takes the largest share or nearly half of the to-

tal contribution (as of the end of January 2005). Japan serves as chair of the IRFFI's Donor Committee. The Committee meetings were held in Abu Dhabi in February, in Doha in May, and in Tokyo in October (Chair: Shirota Akio, the ambassador of Japan in charge of reconstruction assistance for Iraq). On the first day of this Donor Committee meeting in Tokyo,⁷ the Expanded Meeting was held and attended by representatives from 53 countries, including Germany, France, Russia, and Arab countries, and 4 organizations. Iraq sent a delegation headed by Deputy Prime Minister Barhum Salleh. At this meeting, the Iraqi Interim Government announced a National Development Strategy⁸ for the years from 2005 to 2007. Regarding economic development, the participants affirmed the need for donors to quickly implement the pledges they had made in Madrid. Regarding the political process, the Iraqi Interim Government expressed its strong determination to improve public security and implement national elections according to the schedule. From the donor side, it was announced that financial assistance would be provided for the implementation of the elections in January 2005, including US\$40 million from Japan.

In the Paris Club meeting held in November 2004, the creditor countries reached an agreement with the Iraqi side on the reduction of Iraq's public debt (in three stages, for a total reduction of 80%), thus the problem of Iraq's debt was tentatively settled.

(ii) Assistance by the SDF

UN Security Council Resolution 1483, which was unanimously adopted on May 22, 2003, affirmed the importance of the international community's unity in tackling the reconstruction of Iraq. In response to this, Japan enacted the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq on July 26, and the cabinet adopted a basic plan regarding measures based on this law on December 9. In accordance with this plan, an advance unit of the Air Self-Defense Force (ASDF) departed for Iraq on December 26, and later another advance unit of the Ground Self-Defense Force (GSDF) arrived in Iraq on January 19, 2004. The main unit was then dispatched and began full-fledged activities for humanitarian and reconstruction assistance, mainly in Samawah, in the fields of medical

7. The Donor Committee members attending the Tokyo meeting were Australia, Canada, the European Commission, India, Italy, Japan, the Republic of Korea (ROK), Kuwait, Qatar, Spain, Sweden, the UK, the US, and small donors (contributions of less than US\$10 million) represented by Finland and Norway. At the meeting, Iran announced a contribution of US\$10 million and joined the Donor Committee members.

8. The National Development Strategy (NDS) was the first reconstruction strategy formulated by the Iraqi Interim Government after the transfer of governing authority. It explained economic and social reforms and development guidelines by sector (such as oil and gas, finance, electric power, water and hygiene, transportation, communications, and education) for the period from 2005 to 2007.

(Photo)

care and water supplies as well as the restoration and reconstruction of schools and other public facilities.

On June 8 UN Security Council Resolution 1546 was unanimously adopted. This resolution welcomed the restoration of complete sovereignty in Iraq and contained a request for assistance from the Iraqi Interim Government to the international community. With this new resolution, it became clear that such activities of the SDF for humanitarian and reconstruction assistance in Iraq would be included in the tasks of the multinational force (MNF). Following this, the SDF's activities became part of those of the MNF from the time of the restoration of sovereignty to Iraq on June 28. The SDF maintains communication and coordinates its activities with the MNF, although it is not subject to the command of the MNF. The SDF carries out humanitarian and reconstruction activities based on Japan's own judgment and under the Japanese national command in accordance with the Law Concerning the Special Measures on Humanitarian and Reconstruction Assistance in Iraq and the related basic plan.

The activities that the SDF has conducted so far, centering on such humanitarian and reconstruction assistance as medical care and water supplies, as well as the restoration and reconstruction of schools and other public facilities, have been coordinated with ODA as part of an inseparable pair of Japanese assistance and have contributed to the restoration and improvement of infrastructure for the local people and the creation of employment.

These activities by the SDF have gained a high reputation from the local people and the Iraqi Interim Government, who have repeatedly expressed their gratitude and have strongly requested the continuation of the activities. The basic plan provided that the term of

dispatch of the SDF would expire on December 14, 2004, but after receiving requests from the Iraqi side, the cabinet decided on December 9 to change the basic plan and extend the term of dispatch until December 14, 2005, in order to continue the activities. This decision was also based on the view that preventing Iraq from becoming a breeding ground of terrorism and reconstructing it as a peaceful and democratic country are important for the peace and stability of not only the Middle East but also the international community as a whole and that it serves the national interests of Japan.

As of January 10, 2005, the GSDF is purifying 100–280 tons of water a day and delivering it to water-supply vehicles provided through Japanese ODA. As for the restoration and reconstruction of schools and other public facilities, local contractors have completed the repair of schools, roads, and other facilities in 27 places and are undertaking repair work at 24 places under the supervision and guidance of specialist SDF teams. Regarding medical activities, the GSDF is providing advice and guidance to local doctors at the Samawah General Hospital and other facilities, as well as instruction on the operation of medical equipment and materials supplied through ODA. Furthermore, the ASDF has flown between Kuwait and Iraq 110 times, transporting a total of 197.3 tons of supplies for humanitarian and reconstruction assistance and personnel.

(iii) Cultural and Educational Cooperation

Japan is assisting the reconstruction of Iraq in the fields of culture and education. In addition, Japan is offering various cultural assistance to Iraq with the objective of diffusing Japan's image as a likeable country.

For example, the Foreign Ministry has provided various sports-related assistance through Grassroots



Yamashita Yasuhiro (center) with two Iraqi judoka who visited Japan in July ahead of their appearance at the Athens Olympics. (Photo: All Japan Judo Federation)

Letter from the Foreign Ministry's Office in Samawah: The Voice of a Foreign Ministry Staff Member

Although it is not very well known, the Ministry of Foreign Affairs has a liaison office within the camp of the Ground Self-Defense Force (GSDF) in Samawah. Ten Foreign Ministry staff members work there on a rotation basis. Since May 2004 I have been traveling between Tokyo and Samawah every other month and been engaged in economic cooperation work in the governorate of Al-Muthanna.

The climate in Samawah is extreme. In the scorching summer the temperature rises to 55 degrees Celsius, while in the winter it plunges below zero, causing the water tanks to freeze. The security situation is always tense, too. When I leave the camp, I have to wear a bulletproof vest and be protected by security guards carrying automatic rifles, and sometimes I face the threat of mortar attacks. Working conditions are more strenuous, both physically and mentally, than I have ever experienced. My assignment in Iraq also appears to be a heavy burden on my family awaiting my return. They say that they do not want to hear any news about Iraq. Every time the day of my departure approaches again, my five-year-old son counts on his little fingers and says, "How many days do we have left to play?" Honestly speaking, it is a trying time.

At those times, I always read the letter that Mr. Ali, an Iraqi staff member working at our liaison office in Samawah, wrote to my two sons. It says, "I am writing this letter on behalf of the people of Samawah. Your father is making great efforts for the reconstruction of Samawah. In the future, please grow up to be brave, diligent, sincere, and wise like your father. I would be honored if you would accept this letter as a token of the gratitude of the people of Samawah."

A year has passed since the Japanese activities started in Samawah, but there is still a mountain of things to be done in such fields as water supply, med-

ical care, electric power, roads, bridges, and employment. In Samawah, there are many children who are longing for clean water, schools, and the roads and bridges to reach those schools. At the assistance sites, there are many people who express sincere gratitude to us, calling out "Keep it up!" and "Japanese, thank you!" Passersby also eagerly wave to us. It is at those moments that I really feel that our desire for the reconstruction of Iraq has steadily been arousing a response among the people of Samawah. Slowly but surely, the seeds of reconstruction are taking root. In an area that was nothing but desert a year ago, a magnificent water-purification system has been put into place, road work has begun, and soon a small generator will be installed. One day I might be able to visit Samawah with my family and boast to my children, "Look! I helped to set up that water-purifier!" Looking forward to that time, I stepped resolutely out into Samawah again today. (Ebata Yasuyuki, Foreign Ministry Liaison Office in Samawah)

(Photo)

Cultural Grant Aid. In the governorate of Al-Muthanna, Japan has restored a soccer stadium (the Olympic Stadium), as well as providing soccer equipment, such as balls, to the governorate's youth and sports department.

In addition, Japan has provided assistance for the cost of transporting soccer equipment to the Iraqi Football Association and supplied judo uniforms and mats

to the Iraqi Judo Federation. Moreover, as a part of its reconstruction assistance to Iraq, Japan invited an Iraqi judoka and a judo coach who were going to participate in the Athens Olympics to visit, as well as two judoka, three track and field athletes, and three others ahead of the Arab Games that were to be held in Algeria. One of the judoka went on to win a bronze medal at the Arab Games.

Cooperation between the SDF and the Ministry of Foreign Affairs in Samawah: The Voice of a GSDF Member

I participated in humanitarian and reconstruction assistance activities in Samawah as a member of the Second Task Planning and Coordination Unit of the Ground Self-Defense Force (GSDF) for about seven months from July 2004. The Task Planning and Coordination Unit grasps various needs of the local communities for reconstruction assistance and supports the activities of the Self-Defense Forces (SDF) in the governorate of Al-Muthanna in the fields of medical services, water supply, and activities to reconstruct and repair schools and other public facilities.

Japan continues to assist reconstruction of Iraq with humanitarian contributions by the SDF and the government's Official Development Assistance (ODA) like "two wheels of one cart." Taking into account local people's needs as well as costs and required time, we select suitable projects for ODA schemes. I have had the opportunity and valuable experience of cooperating in the formulation of ODA projects, such as the setting up of power generators, provision of waste disposal equipment, and construction of a medical communication network covering the whole of governorate of Al-Muthanna.

Being involved in both ODA and SDF projects, I came to realize that both have respective schemes and that it is necessary to combine the merits of both approaches so that they complement each other.

The reconstruction of local clinics left a particularly deep impression on me. The SDF and Ministry of Foreign Affairs (MOFA) shared the work: the former,

responsible for repairing facilities and buildings, and the latter in charge of providing equipment, materials, medical equipment, and other necessities. It was a good example of using the strengths of both agencies to achieve maximum effect. I will never forget days when my colleagues and I visited the clinics in the town of Salman in the desert and other places in governorate of Al-Muthanna to see the situation with our own eyes and discussed seriously what was necessary at each clinic.

At the Samawah camp, the GSDF members and the MOFA staff are comrades who share lodging, meals, baths, and the common goal of the reconstruction of Iraq. I hope that these two wheels will continue to turn together in advancing toward the future of Iraq. (Miyazawa Munetaka, First Lieutenant, First Airborne Brigade)

(Photo)

Furthermore, the Japan Foundation invited a modern theater group and a music group from Iraq to visit Japan.

As cultural cooperation through the United Nations Educational, Scientific and Cultural Organization (UNESCO), Japan has provided assistance for the restoration of the Iraqi National Museum (the laboratories for the restoration and research of cultural properties). It has also supported projects implemented by UNESCO through its contributions to the IRFFI.

Relations between Japan and Iraq

On June 28, 2004, following the transfer of sovereignty to the Iraqi Interim Government, Japan recognized that

government. Mr. Suzuki Toshiro was appointed as Japan's ambassador extraordinary and plenipotentiary to Iraq on September 13, and Dr. Ghanim Alwan Al-Jumaily was appointed as Iraq's ambassador extraordinary and plenipotentiary to Japan on October 5. There has also been a lively exchange of meetings between officials of the two countries, including a summit meeting between Prime Minister Koizumi and Prime Minister Allawi in New York on September 20. Moreover, many Iraqi dignitaries have visited Japan: Governing Council Chairman Mohammad Bahr Al-Uloom and four ministers came in March, Al-Muthanna Governor Mohammad Ali Hassan Abbas Al-Hassani visited in October, and an Iraqi delegation headed by Deputy Prime Min-

(Photo)

ister Barhum Salleh, including four ministers, attended the IRFFI Donor Committee Meeting and Expanded Meeting in Tokyo in October. These visiting dignitaries held talks with Prime Minister Koizumi, Foreign Minister Machimura, and other government officials and agreed on the importance of steadily advancing the political process and economic and social reconstruction and expressing the gratitude of the Iraqi side for Japan's humanitarian and reconstruction assistance.

(c) Peace in the Middle East

Present Status of the Israeli-Palestinian Conflict

The implementation of the Roadmap,⁹ which was announced in April 2003, stagnated in the wake of continuing terrorist acts by Palestinian extremists and military actions by Israeli forces. Claiming that the Palestinian Authority's efforts to combat terrorism were insufficient, Israel assassinated Sheikh Ahmed Yassin, the leader of the Palestinian extremist group Hamas, in March 2004 and then his successor, Dr. Abdul Aziz Rantisi, in April. These incidents drew heavy criticism against Israel from not only the Middle East but the international community in general. After that, in May Israeli forces uncovered weapon-smuggling tunnels in the Rafah area of southern Gaza and set about demolishing houses in that area.¹⁰

(Photo)

In June the Israeli cabinet approved a plan to unilaterally demolish Jewish settlements and military facilities and withdraw Israeli troops from the Gaza Strip and part of the West Bank by the end of 2005. Taking note of the importance of this withdrawal to be implemented in coordination with the Palestinian side and in a form consistent with the Roadmap, the international community welcomed this plan on the premise that it would be implemented in such a manner. Regarding the "barrier"¹¹ that Israel has been constructing in the West Bank beyond the ceasefire line that existed before the Third Middle East War in 1967, the Israeli Supreme Court delivered a verdict ordering a change in the route of the barrier in June. And in July the International Court of Justice issued an advisory opinion that the construction of the barrier was a violation of international law. Furthermore, in the Emergency Session of the UN General Assembly in July, a resolution was adopted calling for the Palestinian issue, including the issue of the barrier, to be resolved through talks between the parties concerned. Following the Israeli Supreme Court's ruling, the Israeli government reconsidered the route of the barrier, as a result of which the cabinet decided on a change in February 2005.

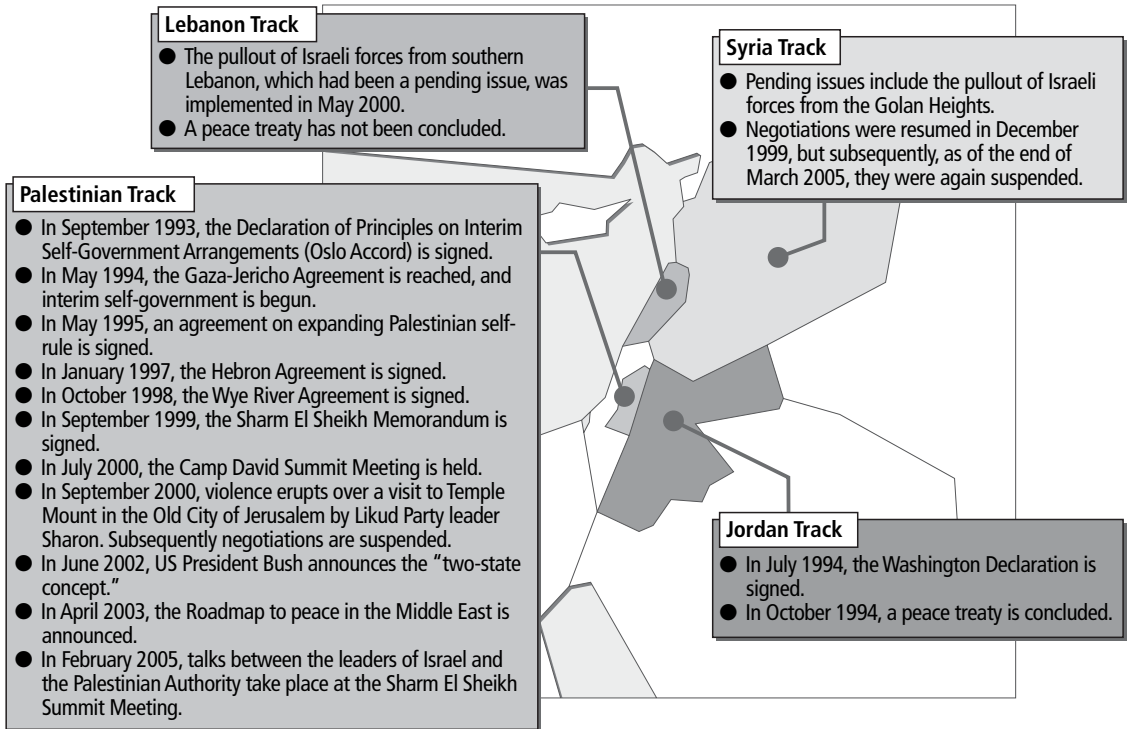
In September two Israeli children were killed by rockets launched from the northern part of the Gaza

9. The Roadmap was announced by the US, the European Union (EU), Russia, and the UN (the so-called Quartet) in April 2003 and accepted by both the Israeli and Palestinian sides by June of that year. It sets the schedule of measures that should be taken by the Israeli and Palestinian sides in order to realize a settlement of the Palestinian problem by the establishment of an independent Palestinian state that coexists peacefully with Israel (the concept of the peaceful coexistence of two states), as announced by US President George W. Bush in June 2002. (The Roadmap's goal is the establishment of a state of Palestine during 2005.)

10. The UN Security Council adopted Resolution 1544 in May 2004. This resolution called on Israel to implement a cessation of violence and to show respect for and adherence to its obligations under international humanitarian law and urged it to immediately implement its obligations under the Roadmap.

11. The Israeli government began the construction of a "barrier" in the West Bank in June 2002 with the aim of ensuring the security of Israeli citizens from terrorism.

Current Situation of the Middle East Peace Process



Strip into Israeli territory. In retaliation, Israeli forces carried out a large-scale cleanup operation against Palestinian armed forces in northern Gaza.

While the chain of violence between the Israelis and Palestinians thus continued, and the implementation of the Roadmap fell into a state of stagnation, Yasser Arafat, who had served as chairman of the Palestine Liberation Organization (PLO) since 1969 and as president of the Palestinian Authority since 1996, died in November. In accordance with the Basic Law, on January 9, 2005, the sixtieth day after the demise of President Arafat, the Palestinian Authority held a presidential election, which was conducted as a whole in a free and fair manner. The PLO Chairman Mahmoud Abbas, who won the election with 62.5% of the vote, was officially appointed as president of the Palestinian Authority on January 15. President Abbas has positioned public security as the most important issue and is making positive efforts to improve security, including deploying Palestinian security forces in the Gaza Strip and urging Palestinian extremists to cease violence.

Meanwhile, in order to advance the plan for a withdrawal from the Gaza Strip, Israeli Prime Minister Ariel Sharon formed a new coalition cabinet with the Labor Party in January 2005, thereby securing a majority in the

Knesset. On February 8, 2005, direct talks between the prime minister of Israel and the president of the Palestinian Authority, the first of their kind in four years and four months, took place at Sharm El Sheikh in Egypt, with the participation of the president of Egypt and the king of Jordan. At this summit meeting, a cessation of violence was announced by both the Israeli and Palestinian sides, and once again the prospect emerged for the implementation of the Roadmap. Recognizing that a historic opportunity exists for making progress in the peace process, the international community has worked to bolster the administration of President Abbas and assist the peace efforts of both the Israeli and Palestinian sides on such occasions as the summit between the leaders of the US and the UK in November 2004, and visits to Israel and the Palestinian territories by then US Secretary of State Colin Powell in November, Foreign Minister Machimura in January 2005, and newly appointed US Secretary of State Condoleezza Rice in the same month.

Regarding the Syrian Track, the two parties could not reach an agreement on the conditions for resuming negotiations, and therefore no talks have yet been started. Regarding the Lebanese Track, a dispute is still continuing over the sovereignty of the Shabá farms area.

Japan's Efforts

Progress in the Middle East Peace Process exerts a positive influence on the situation in Iraq and in the Gulf, contributes to the peace and stability of the Middle Eastern region, and in turn directly influences the peace and prosperity of Japan through the peace and stability of the international community. In addition, since the issue of peace between Israel and the Palestinians involves the issue of Jerusalem, which is a holy place for three major religions (Judaism, Christianity, and Islam), it is a common issue for the Arab countries and other Islamic states and one that has a major bearing on national sentiment in those countries. For this reason, using its neutral position of favoring neither Israel nor the Arab countries and maintaining close cooperation with the US, the EU, and other countries and organizations playing leading roles in the Middle East peace, Japan has been fulfilling an active role toward the settlement of the issue.

Based on the recognition that the only way to resolve the Middle East peace is through the realization of peaceful coexistence between the two states of Israel and Palestine, Japan has been making efforts toward settlement of the peace problem in the political and economic fields, engaging in (1) political talks, (2) assistance to the Palestinians, and (3) confidence-building measures.

On the political side, Japan makes appeals to both Israel and the Palestinian Authority to advance the peace process and engages in active discussions with related countries. In February the Third Japan-Palestinian Ministerial Political Consultation Meeting was held in Tokyo with the participation of then Palestinian Authority Minister of Foreign Affairs Nabeel Shaath. In September then Foreign Minister Kawaguchi held talks with Foreign Minister Shaath in New York. And in January, August, and December 2004 and March 2005 Arima Tatsuo, special envoy of the government for the Middle East, visited the region to work on both the Israeli and



Foreign Minister Machimura shakes hand with Palestinian Authority President Abbas in January 2005.

Palestinian sides. Also, through dialogue with neighboring countries, Special Envoy Arima contributed to the building of constructive and cooperative relations between Japan on the one hand and the parties concerned and neighboring countries on the other toward the promotion of peace. Following the demise of Chairman Arafat in November, former Foreign Minister Kawaguchi, now a special advisor to the prime minister, visited Ramallah in the Palestinian West Bank to express condolences as a special envoy of Japan. In January 2005 Foreign Minister Machimura visited Israel and the Palestinian Territories and appealed to the leaders of both sides to take this opportunity to resume talks as quickly as possible and make efforts in line with the Roadmap. In this series of consultations, Japan called for the realization of the two-state concept through steady implementation of the Roadmap by the parties concerned and the realization of a fair, permanent, and comprehensive settlement of the Middle East peace.

In the economic sphere, Japan has been actively implementing assistance to the Palestinians since the Oslo Accord of 1993. Specifically, Japan has extended support in accordance with the three pillars of (1) humanitarian support for the stabilization of daily life, (2) assistance for reforms designed to enable the management of a future independent state, and (3) confidence building between the parties concerned. As of March 2005, Japan had disbursed approximately US\$760 million in such assistance to the Palestinians since 1993. In January 2004, in response to a request from the UN, Japan provided emergency assistance of about US\$9.07 million to the residents of the West Bank and Gaza, who had been suffering economic hardship. In addition, in September Japan implemented financial assistance of US\$10 million through the Palestinian Public Financial Management Reform Trust Fund of the World Bank. In December Japan decided on additional assistance of



Foreign Minister Machimura shakes hands with Israeli Prime Minister Sharon in January 2005.

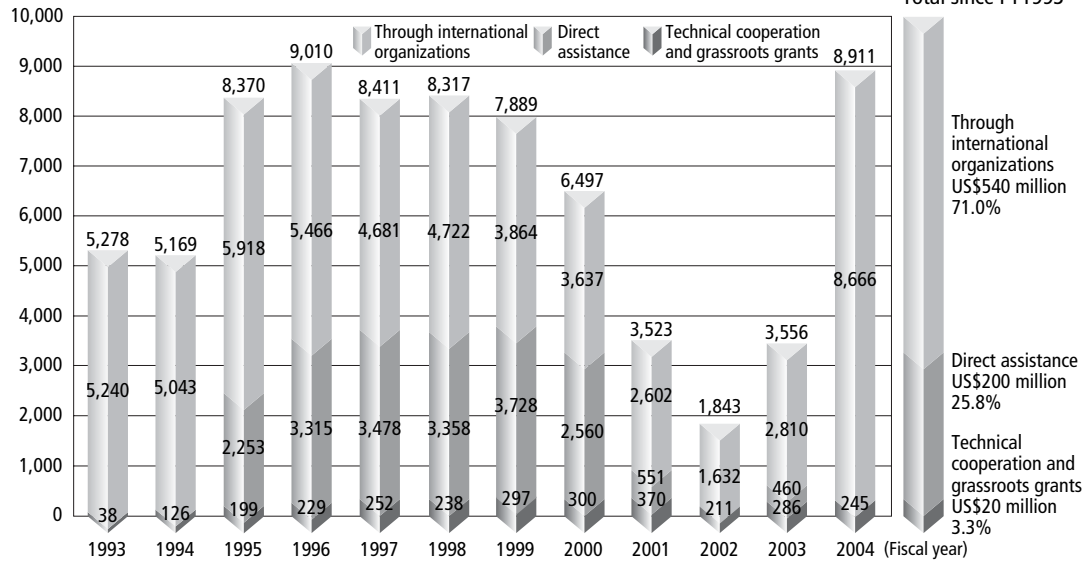
Assistance to the Palestinians

1. Japan's assistance to the Palestinians (since FY1993)

Total contribution as of March 2005: approximately US\$760 million

(including assistance to the Palestinians and assistance to the Palestinian refugees in Syria, Lebanon and Jordan through UNRWA)

(Unit: US\$10,000)



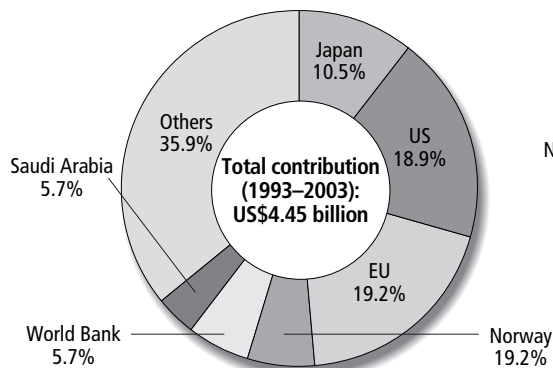
2. Main points of Japanese assistance to the Palestinians

- Approximately US\$760 million of economic assistance has been provided to the Palestinians since 1993. Approximately US\$190 million in assistance has been provided with priority placed on emergency humanitarian assistance since clashes erupted at the end of September 2000.
- Approximately 70% of total assistance has been provided through international organizations including the UNDP and UNRWA.
- Assistance currently focuses on three areas: emergency humanitarian assistance, nation-building reforms, and confidence building.
- In 2004 Japan compiled a supplementary budget and extended assistance of US\$60 million. The disbursement of assistance in fiscal 2004 was on a par with the previous highest level.

3. Outline of assistance to the Palestinians from major donor countries

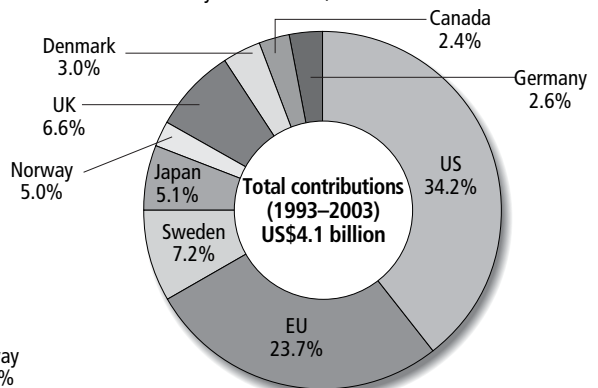
Contributions by each major donor, 1993–2003

(Based on an end of May 2003 survey by the Ministry of Planning and International Cooperation, Palestinian Authority; not including assistance through UNRWA)



4. Outline of assistance by main donors to the Palestinian refugees via UNRWA

Contributions by main donors, 1993–2003



Country	Assistance disbursed in 2003
EU	US\$235 million (25.4%)
US	US\$213 million (23.0%)
Saudi Arabia	US\$77 million (8.3%)
Norway	US\$53 million (5.7%)
Japan	US\$13 million (1.4%)

Country	Assistance disbursed in 2003
EU	US\$130 million
US	US\$127 million
UK	US\$39 million
Sweden	US\$32 million
Norway	US\$20 million
Canada	US\$16 million
Japan	US\$11 million

Notes: 1. The total amounted to US\$927 million (Palestinian Ministry of Planning, June 2004).
 2. This total is on an expenditure base. It does not include expenditures by the donors to the UNRWA or expenditures by the Islamic Development Bank.

US\$60 million, through the fiscal 2004 supplementary budget, to support the new Palestinian leadership. Furthermore, in addition to dispatching a government election monitoring team headed by Parliamentary Secretary for Foreign Affairs Kawai Katsuyuki, Japan also provided assistance of more than US\$1 million for the successful implementation of the Palestinian presidential election in January 2005. In response to the resumption of the peace process, Japan intends to continue to offer medium- and long-term economic development assistance for the independence of the Palestinian economy.

Regarding confidence building, in July Japan invited some personalities involved from both sides to the Second Conference for Confidence-Building Between the Israelis and the Palestinians, held in Hakone, which provided them with an opportunity to engage in frank discussions concerning current problems in the Middle East peace and other issues. In addition, Japan assists activities for confidence building at the grassroots level, such as exchanges between children of both sides who have lost parents in the violence and between Israeli and Palestinian schoolteachers.

(d) Afghanistan

The Political Process

The political process in Afghanistan has been making steady progress on the basis of the Bonn Agreement of December 2001. A presidential election was held on October 9, 2004, following the inauguration of the Transitional Administration in June 2002 and the adoption and promulgation of a new constitution in January 2004. Twelve million people turned out to vote in the election, representing 71% of registered voters. On November 3, President of the Transitional Administration Hamid Karzai was elected, having received 55.4% of the

(Photo)



Prime Minister Koizumi in talks with President Karzai of Afghanistan in September. (Photo: Office of the Cabinet Public Relations, Cabinet Secretariat)

vote. The inauguration ceremony was held in the capital Kabul on December 7. Japan was represented by Senior Vice-Minister for Foreign Affairs Aisawa Ichiro, acting as a special envoy, and by President Ogata Sadako of the Japan International Cooperation Agency (JICA), the Prime Minister's Special Representative for Afghanistan Assistance. Parliamentary elections are scheduled to take place in September 2005.

Japan's Reconstruction Assistance Policy

In January 2002 Japan hosted the International Conference on Reconstruction Assistance to Afghanistan (the "Tokyo Conference") and coordinated the international community's support for Afghanistan's efforts to achieve peace and reconstruction. At the conference Japan announced reconstruction assistance of US\$500 million, and this was implemented by February 2004. At the Berlin International Conference on Afghanistan held in March 2004, Japan pledged additional assistance amounting to US\$400 million over the period March 2004 to March 2006.

Japan's assistance to Afghanistan is based on the concept of "consolidation of peace" and covers all three main pillars of this concept: promotion of the peace process (support for elections); improvement of security (disarmament, demobilization, and reintegration of ex-combatants [DDR] and measures to clear antipersonnel mines); and reconstruction (construction of trunk roads, etc.). Japan's assistance for Afghanistan since September 2001, including humanitarian aid, totals more than US\$844 million.

Public Security

Thanks to the efforts of the Afghan people and the international community's assistance, there was no major

Chronology of the Situation in Afghanistan

2001 Sep 11	Terrorist attacks in the US
Oct 7	US and UK forces commence air strikes on Afghanistan
Nov 13	Taliban withdraws from Kabul; Northern Alliance enters
Dec 5	Bonn Agreement
Dec 7	Taliban begins withdrawing from Kandahar
Dec 20	Establishment of International Security Assistance Force (ISAF) in Afghanistan is approved through a Security Council resolution and first contingent enters Kabul the following day
Dec 22	Inauguration of Interim Authority
2002 Jan 21–22	International Conference on Reconstruction Assistance to Afghanistan
Feb 19	Japanese Embassy in Afghanistan reopens after 13-year suspension of activities
May 1–2	Foreign Minister Kawaguchi visits Afghanistan
Jun 11–19	Emergency Loya Jirga Transitional Administration is established with Interim Administration Chairman Karzai as president
Jul 6	Transitional Administration Vice President Haji Qadir is assassinated
Sep 5	Assassination attempt on President Karzai; large-scale explosions in Kabul
Sep 12	Joint announcement on road construction by Japan, US, and Saudi Arabia Japan-Afghanistan Summit Meeting (New York)
Oct 7	Transitional Administration announces issuance of new currency and deadline for circulation of old currency
Dec 2	Foreign Ministers' Meeting commemorating one-year anniversary of Bonn Agreement (Germany) President Karzai issues decree on national army and disarmament
Dec 16	Afghanistan Embassy in Tokyo reopens after 5-year suspension of activities
Dec 22	Conference on Good Neighbourly Relations; Kabul Declaration on Good-Neighbourly Relations detailing good neighborly relations and nonaggression between Afghanistan and neighboring countries is signed and presented
2003 Jan 1	Deadline to exchange old Afghan currency to new currency
Feb 20–23	President Karzai visits Japan
Feb 22	Tokyo Conference on "Consolidation of Peace" (DDR) in Afghanistan—Change of Order "from Guns to Plows"
Mar 13–14	Afghanistan Development Forum Transitional Administration announces framework for annual budget and Consultative Group (CG)
Mar 17	Afghanistan High-Level Strategic Forum: Progress in reconstruction and future outlook are discussed; donor countries pledge next fiscal year's budget for development assistance
Apr 6	"Afghanistan's New Beginnings Program (ANBP)" is established to implement DDR programs
Jul 6–13	Prime Minister's Special Representative Ogata visits Afghanistan
Aug 11	ISAF command is transferred to NATO from Germany and the Netherlands
Sep 20	Presidential decree on Ministry of Defense reform is issued
Sep 21	Afghanistan Development Forum (Dubai)
Sep 24	High-Level Ad Hoc Meeting on Afghanistan (New York)
Oct 13	Security Council Resolution 1510 concerning expansion of the ISAF mandate is adopted
Oct 24	Pilot phase of DDR starts in Kunduz
Nov 12–16	Foreign Affairs Parliamentary Secretary Tanaka visits Afghanistan
Nov 16	French UNHCR worker is murdered in Ghazni
Dec 14–Jan 4	Constitutional Loya Jirga (closes with the adoption of new constitution)
Dec 16	Road between Kabul and Kandahar opens
2004 Mar 31–Apr 1	International Conference on Afghanistan (Berlin)
May	DDR main phase starts
Jul 18–22	Senior Vice-Foreign Minister Aisawa visits Afghanistan
Sep 11	Demonstrations held protesting against dismissal of provincial governor (Herat)
Sep 20	Japan-Afghanistan Summit Meeting (New York)
Oct 9	Presidential election (Mr. Karzai elected) Japanese Election Observation Team dispatched
Oct 28	Three UN personnel taken hostage (released 11/23)
Dec 7	President Karzai's inauguration ceremony (Kabul) Japan represented by Senior Vice-Foreign Minister Aisawa (special envoy) and by JICA President Ogata (Prime Minister's Special Representative) (After returning to Japan, JICA President Ogata delivered a report and proposals on support for Afghanistan to Prime Minister Koizumi)

Election Observation Team in Afghanistan

Afghanistan's first direct presidential election held on October 9, 2004, was a truly historic event. As a member of the Election Observation Team sent by the Japanese government, I visited several polling stations in Kabul. What impressed me the most was the seriousness in which people took to casting their votes for the first time in their lives. A female polling official was scolding two sisters who entered a polling booth together; another was gently guiding an elderly woman confused with her ballot paper, "Don't show it to me. Fold it and put it in the box."

Some women voters said they were instructed by their fathers to come out to vote. I asked them whether they had been told also by their fathers for whom to vote. One girl replied proudly: "I'm the one who decides that! And I'm not telling my father either." I asked people why they thought the voting was important. They said, "Because we are choosing our leader who will bring peace to Afghanistan" —a perfect response typical in Kabul where awareness and education levels were much higher than the rest of country.

As expected, there were some minor 'irregularities' in the election procedures. Candidates' posters were to be removed from the polling stations, but they were left there in some places. A girl claimed she was 16, while her voting card indicated her age as 18. But these incidents were more expressions of tension generated by the Afghans' pride and simple honesty than deliberate acts of misbehavior. The more they tried to properly carry out the voting exercise for the first time

in their lives, the greater the pressure they left, sometimes resulting in clumsy chaos.

The empty calm that reigned in Kabul in the days before the election was reminiscent of the city under curfew just after the fall of the capital in 2001. In the evening dusk, International Security Assistance Force (ISAF) women soldiers were politely inspecting cars at checkpoints on main streets, with full cooperation from the city residents. The security concerns on the election day had been serious, but proved unwarranted. The victory, above all, lies with the Afghan people, determined not to return to the country's violent past. October 9 was the day when the Afghan people themselves, and the international community, turned another page in history, clearing yet another hurdle toward peace. (Shinohara Makiko, Special Assistant to the President of the Japan International Cooperation Agency [JICA], detached from the United Nations High Commissioner for Refugees [UNHCR])

(Photo)

disruption of public security in the presidential election held in October 2004. However, terrorist organizations such as the Taliban, Al-Qaeda, and Hekmatyar continue their activities, mainly in the southern, southeastern, and eastern areas bordering Pakistan. Furthermore, the public security situation remains unstable even in the capital Kabul, for example, in October there were suicide bombings in main streets and the hostage-taking of three UN personnel (released unharmed in November).

Fighting among regional warlords¹² also remains a destabilizing factor for public security. In September 2004 a large-scale demonstration took place in the city of Herat in protest against the government announcement of the dismissal of Ismail Khan as Governor of Herat.

Against this background the government of Afghanistan, with the support of the international community led by the Group of Eight (G8) major industrialized countries, has been making efforts for Security

12. Afghanistan's warlords: After a quarter of a century of civil war, numerous warlords maintain their own forces in various parts of the country. The total number of fighters under the warlords' command is put at around 100,000. The most influential warlords include former Vice-President Mohammad Fahim (Tajik) in central Afghanistan, General Abdul Rashid Dostum (Uzbek) in the north, and former commander Ismail Khan (Tajik) in the west. As the political process and DDR makes headway, disarmament and participation in the political process are gathering momentum among warlords.

Sector Reform, including establishing a national army; disarmament, demobilization, and reintegration of ex-combatants (DDR); rebuilding the police force; counter-narcotics measures; and reform of the judicial system. The International Security Assistance Force (ISAF)¹³ led by the North Atlantic Treaty Organization (NATO) is also providing support for the maintenance of public security, and the area of operation of ISAF was expanded beyond Kabul by the UN Security Council Resolution 1510 (adopted in October 2003).

(e) Iran

In Iran, elections for the seventh parliament were held in February 2004. Against the background of widespread despair over the achievement of reformers, conservatives scored a landslide victory. Many potential candidates, including incumbent reformist members of parliament, had not been allowed to stand for election. The new parliament opened in May. In October Transport Minister Ahmad Khorram was impeached and recalled after criticism of his running of the country's transport system. Vice-President Mohammad Ali Abtahi, who was in

charge of coordinating the functions of the executive branch and parliament, took responsibility for this and resigned. In regard to the Iranian nuclear issue, Iran's parliament has expressed strong criticism of Supreme National Security Council Secretary Hassan Rohani, responsible for external negotiations, and Foreign Minister Kamel Kharrazi on the grounds that they were abandoning Iran's right to the peaceful use of nuclear energy. The situation in relation to the presidential election due to take place in June 2005 is a major focus of attention since incumbent President Mohammad Khatami, who is in his second term, cannot stand for re-election according to the constitution, which prohibits a person from being elected to the presidency for three consecutive terms.

Concerning external relations, as in 2003, suspicions of Iran's nuclear program continued to hold the attention of the international community. In response to the International Atomic Energy Agency (IAEA) Board of Governors resolution in June 2004, Iran resumed its uranium enrichment-related activities against the requirements of the relevant IAEA Board of Gover-

Chronology concerning Iranian Nuclear Issues

2002 Aug	Iranian opposition group, National Council of Resistance, discloses Iran's construction of heavy water production plant (Arak) and underground uranium enrichment program (Natanz).
2003 Feb 21–22	IAEA Director-General ElBaradei visits Iran. IAEA verification activities of related facilities within Iran, including uranium enrichment facilities in Natanz, continue.
Oct 23	Iran provides what is expected to be a comprehensive and accurate report of its nuclear activities to the IAEA.
Nov 20–26	IAEA Board of Governors meeting adopts a resolution (November 26) jointly proposed by Japan and other countries, which welcomes positive steps taken by Iran but strongly deplores Iran's past activities on uranium enrichment and plutonium reprocessing and urges Iran to take further positive steps.
Dec 18	Iran signs the Additional Protocol in Vienna, which will come into effect after being ratified by Iran.
2004 Mar 8–13	IAEA Board of Governors meeting adopts resolution (March 13) to call on Iran to continue and strengthen cooperation with IAEA.
Jun 14–18	IAEA Board of Governors meeting adopts resolution (June 18) to call on Iran to take all necessary steps on an urgent basis to help resolve all outstanding issues including the question of low- and high-enriched uranium contamination and questions relating to its P-2 centrifuge program. Iran reacts to the resolution by resuming its uranium enrichment-related activities against the requirements of the relevant IAEA Board of Governors resolution.
Sep 13–18	IAEA Board of Governors meeting adopts a resolution (September 18) urging Iran to provide IAEA with complete information and suspend uranium enrichment-related activities. At the same time the resolution requests the IAEA Director-General to report to the board what action has been taken by Iran in response to previous resolutions by the November Board of Governors meeting. The resolution also stipulates that the November Board of Governors meeting will decide whether or not further steps are appropriate.
Nov 14	As a result of consultations between EU3 (UK, France, Germany) and Iran held in late October, Iran agrees to suspend enrichment-related activities. The suspension of enrichment-related activities is realized in advance of the November IAEA Board of Governors meeting.
Nov 25–29	IAEA Board of Governors meeting adopts resolution (November 29) calling on Iran to continue the suspension of enrichment-related and reprocessing activities, and requesting the Director-General to inform Board members should the suspension not be fully sustained.

13. The main activities of ISAF in Afghanistan include: ensuring security, supporting the reestablishment of the government, rebuilding the police force and army, and operating Kabul International Airport.

nors resolution. At the September meeting of the IAEA Board of Governors a resolution was passed deeply regretting Iran's recommencement of its enrichment-related and reprocessing activities and deciding that the next meeting scheduled in November would decide whether or not further steps would be appropriate. Thus the possibility arose of a report on Iran's case being made to the UN Security Council. In view of this situation, the UK, France, and Germany held consultations with Iran, and Iran agreed to suspend its uranium enrichment-related activities. As a result the November meeting of the IAEA Board of Governors consequently decided not to report the Iranian nuclear issue to the UN Security Council. In December, on the basis of the above mentioned agreement, Iran began negotiations with the UK, France, and Germany on a long-term agreement regarding political and security issues, technology and cooperation, and nuclear issues. The negotiations were not expected to be easy and their future course was a focus of international attention.

As the country that benefits most from a stable Iraq, Iran has been actively working to bring peace to Iraq. It announced at the donor committee meeting of the International Reconstruction Fund Facility for Iraq (IRFFI) held in Tokyo in October that it would contribute US\$10 million to the fund. Furthermore, it participated in the ministerial meeting of the G8 countries and countries neighboring Iraq held at Sharm El Sheikh in November, as well as hosting an interior ministers' conference of countries neighboring Iraq.

Relations between Japan and Iran

Through active political dialogue Japan has been urging Iran, a major Middle Eastern power, to continue its internal reforms and expand its relations with the international community and to play an even more active role in the peace and stability of the Middle East and the international community as a whole. In January then Foreign Minister Kawaguchi visited Iran. This was followed in May by the visit of former Foreign Minister Koumura Masahiko as the prime minister's special envoy, and in August by that of former Prime Minister Hashimoto Ryutaro. In addition, Foreign Minister Machimura held talks with Iran's Foreign Minister Kharrazi at Sharm El Sheikh in November. Throughout all these talks, Japan has urged Iran to faithfully implement all the requirements of relevant resolutions of the IAEA Board of Governors.



Then Foreign Minister Kawaguchi talks with President Khatami of Iran in January.

In the economic field, negotiations on a contract for the development of the Azadegan oilfield had been continuing since the visit to Japan of President Khatami in November 2000. In February 2004 this contract was signed between Japanese and Iranian companies. Japan dispatched the Japan Disaster Relief medical team to Iran to take part in rescue operations after the Bam earthquake in December 2003. In addition it extended grant aid and assistance through NGOs totaling some US\$20,160,000. In January 2005 Japan additionally decided on grant aid of approximately ¥100 million for the purchase of equipment and materials to protect and restore the Arg-e-Bam (Bam Citadel), a precious cultural heritage.

(f) The Situation in the Gulf Countries

With a view to maintaining political and military balance with Iran, one of the major powers in the Middle East, Saudi Arabia and the other Gulf countries have come to attach greater importance to their relations with the US, whose influence has grown in the region. The geopolitical situation in the Gulf region changed significantly with the downfall of Saddam Hussein's regime in Iraq. While this removed a major security threat, the Gulf countries are apprehensive about the possible break up of Iraq and the power vacuum in the country. They are stressing the need to maintain its sovereignty, independence, and territorial integrity and are calling for an end to interference by foreign powers in the country's internal politics. Also, the Gulf countries are concerned about the suspicion over Iran's nuclear development program, on which they are keeping a watchful eye. The Gulf Cooperation Council (GCC),¹⁴ formed by the six Gulf countries as a regional political organization, is

14. Six Gulf countries (the UAE, Bahrain, Saudi Arabia, Oman, Qatar, Kuwait) established the GCC in 1981 in response to the rapid changes in the international situation that took place after the Iranian revolution and the outbreak of the Iran-Iraq war, with the objective of strengthening their mutual ties as monarchies. The council's headquarters is located in Riyadh, the capital of Saudi Arabia.

moving in the direction of an economic organization with the formation of a unified market in mind. At the same time, however, member countries can be seen pursuing their own respective interests by strengthening bilateral relations with the US in the political, economic, and security fields.

Public security in the Gulf countries has been relatively favorable to date, however, terrorist activity by antigovernment groups has intensified in Saudi Arabia since May 2003, and the Saudi government has been adopting full-fledged counter-terrorism measures.

With rapid population growth and domestic economic structures dependent on oil revenues, the Gulf countries are faced with the high unemployment rate among young people. Though these countries are making an effort to implement job-creation measures, they are still largely dependent on foreign workers for their labor needs. Therefore, raising the skill level of domestic workers and increasing their share in the labor market are tasks that need to be addressed. Due to the increasing demand for oil resulting from economic growth in China and other countries oil prices have soared, particularly since August 2004, leading to a surge in Gulf countries' incomes from oil as well as their total revenues. The Saudi government has expressed its readiness to undertake various internal reforms in response to the wishes of the Saudi people. As one of such reforms "National Dialogue" meetings with both Shiite and women's participation and regional council elections were introduced. The first regional council elections were held in February and March 2005 in Riyadh, Eastern, and other provinces. In the UAE, following the death in November 2004 of President Sheikh Zayed bin Sultan Al Nahyan, who had guided the country since its establishment in 1971, his eldest son, Crown Prince Khalifa bin Zayed Al Nahyan of Abu Dhabi, was elected as UAE President.

Japan's Efforts

Japan supports measures for young people's employment adopted by the Gulf countries, for example by providing technical training in car maintenance in Saudi Arabia. Japan has also extended cooperation in the areas of cultural dialogue, people-to-people exchange, and the environment, with a view to building multilayered relationships with GCC member states. Events aimed at promoting cultural dialogue with the Islamic world were held in Bahrain (March 2002), Tokyo (October 2003), and Tehran (November 2004). In the area of women's exchange, female leaders from the Gulf countries were invited to Japan in January 2003, Iranian women active

in the field of culture and art were invited in March 2003, and female journalists of the Middle Eastern region were invited in March 2004. Regarding the environment, Japan organized training courses in environmental administration and marine-pollution countermeasures in October 2001 and February 2004. Regarding exchange of government officials, then Foreign Minister Kawaguchi visited the UAE in January 2004 and Special Envoy of the Prime Minister Koumura visited Saudi Arabia in May 2004. Japan received official visits from UAE Deputy Prime Minister and Minister of State for Foreign Affairs Sheikh Hamdan Bin Zayed Al Nahyan (April), First Deputy Prime Minister and Foreign Minister Sheikh Hamad bin Jassim bin Jabor Al Thani of Qatar (June), Prime Minister Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah of Kuwait (July), and Deputy Prime Minister and Minister of Defense Sheikh Jaber A-Mubarak Al-Hamad Al-Sabah of Kuwait (November). These visits provided opportunities for exchanges of views on bilateral relations and the Middle East situation. In November, Special Advisor to the Prime Minister Kawaguchi (former foreign minister) made a visit of condolence to the UAE in November on the death of President Zayed.

(g) North Africa

The North African region, presenting both Arab and African aspects, witnessed various developments both internally and in relations with Japan.

The sanctions imposed on Libya by the UN Security Council in 1992, since when the country had been internationally isolated, were lifted in September 2003. In December of that year Libya decided to dismantle its WMD developing program. In view of this action, in September 2004 the US lifted its remaining sanctions against Libya. This was followed by the lifting of an arms embargo by the EU in October and a series of visits to Libya by leaders of European countries. Libya is thus



Senior Vice-Foreign Minister Aisawa meets Colonel Qadhafi in June.

rapidly regaining its status as a member of the international community. In regard to its relations with Japan, Senior Vice-Foreign Minister Aisawa visited Libya in June as a Special Envoy of the Prime Minister to hold talks with the country's leader, Colonel Muammar Al Qadhafi. It was the first time that a senior Japanese government official had made such a visit.

In Sudan, a peace agreement was concluded in January 2005 between the government in the north of the country and opposition groups (the Sudan People's Liberation Movement [SPLM]) in the south. Thus, 20 years of north-south civil war came to an end. At the same time, the large-scale humanitarian crisis in the Darfur region in western Sudan caused grave concern in the international community, and the African Union has been making efforts to resolve the problem, by sending a ceasefire-monitoring mission and mediating in peace negotiations. Japan, for its part, extended assistance for the Darfur region totaling US\$21 million as humanitarian assistance. Furthermore, on the occasion of the visit to Japan of Sudan's foreign minister in September, Prime Minister Koizumi and then Foreign Minister Kawaguchi urged Sudan to take concrete action toward a solution of the Darfur crisis. In addition, during his visit to Sudan in December Senior Vice-Foreign Minister Aisawa again urged the Sudanese government to achieve an early resolution of the problem (regarding humanitarian assistance to Darfur see P.195).

In Egypt, on the domestic political front a new cabinet that put an accent on economic growth and reform was formed under Prime Minister Ahmed Nazif in July, against the background of the continued stability of President Hosni Mubarak's administration. Important cabinet posts were given to reform-minded figures, including entrepreneurs, and import tariff cuts and other reform measures were pursued. On the diplomatic front, as a major player in the region Egypt is fulfilling an active role in tackling regional problems. Specifically, it has played an important mediating role in the Middle East Peace Process, and has hosted foreign ministers' talks among countries neighboring Sudan on the issue of Darfur. Egypt has also exercised its leadership as a host of the ministerial conference on Iraq attended by the G8

countries and countries neighboring Iraq at Sharm El Sheikh in November.

Various other visits to North Africa by Japanese officials and vice versa took place in 2004. In May former Prime Minister Mori Yoshiro visited Morocco, Tunisia, and Algeria to promote friendly relations between Japan and the Maghreb countries. In June the bilateral partnership between Tunisia and Japan was advanced by the visit to Japan of the Tunisian foreign minister. In December Algeria's President Abdelaziz Bouteflika made the first official visit to Japan by an Algerian head of state since the country's independence. The visit was an opportunity to rebuild bilateral relations, which had not been sufficiently active as a result of terrorist incidents in the 1990s.

It is Japan's intention to further increase government-level exchanges with North African countries and to promote dialogue at all levels.

(h) The Broader Middle East and North Africa Initiative

At the G8 Sea Island Summit in June the member countries reached a consensus on the Broader Middle East and North Africa Initiative¹⁵ suggested by the US, 2004 G8 chair state. This is a measure to support the broader Middle Eastern and North African countries'¹⁶ own efforts for political, economic, and social reform, against the background of the Arab countries' recognition of the need for reforms.¹⁷ The summit also agreed on the setting up, as a venue for the realization of the initiative, of the Forum for the Future, in which foreign ministers and other cabinet members of the G8 and the countries of the region would participate. At the G8 Summit Japan had consistently advocated the region's voluntary efforts rather than imposition from outside and respect for diversity, and it was accepted as a principle of this initiative. From the viewpoint that the creation of job opportunities for the rapidly growing young population in the region is a matter of urgency in relation to regional stability and development, Prime Minister Koizumi announced Japan's assistance over the next three years, which will benefit 100,000 persons in the area of education and literacy and 10,000 persons in the

15. Relating to this initiative two documents were issued at the G8 Sea Island Summit: (1) "Partnership for Progress and a Common Future with the Region of the Broader Middle East and North Africa (a political declaration)" and (2) "G8 Plan of Support for Reform."

16. The countries to be covered by the Broader Middle East and North Africa Initiative were not specified, but it is supposed to cover the Middle East including North Africa, as well as countries in neighboring regions (Pakistan, for example). The first meeting of the Forum for the Future in December 2004 was attended by the Arab countries of the region (Egypt, Jordan, Syria, Lebanon, Palestine Autonomous Region, Iraq, Saudi Arabia, the UAE, Yemen, Oman, Kuwait, Bahrain, Qatar, Tunisia, Libya, Algeria, Morocco, Mauritania), as well as Turkey, Pakistan, and Afghanistan. Iran did not attend.

17. The need for reforms in the Arab countries were first mentioned in the "Tunis Declaration" at the 16th Arab Summit held in Tunisia in May 2004.

Broader Middle East and North Africa Initiative

1. Background and perception of issues

- (1) The peace and stability of this region are directly linked to the stability and prosperity of the whole world. The oil reserves of the region in 2002 constituted 70% of the world's total reserves, while oil production was 34% of global production. The reserves and production of natural gas were 41% and 14%, respectively. Japan's dependence on the region was 86% for oil and 21% for gas in 2002.
- (2) The population of young people is growing dramatically in the region, and the high unemployment rates among them are one cause of social unrest.
- (3) For the medium- and long-term stability of the region, political, economic, and social reforms are essential. There are some movements toward reform by the region itself, such as the Declaration on the Process of Development and Modernization in the Arab World adopted by the Arab Summit meeting in May 2004. (It refers to reforms in such areas as democracy, women and young people, economy, and education.)

2. Developments during 2004

- (1) The G8 Sea Island Summit in June agreed on the Broader Middle East and North Africa Initiative as a G8 support for the broader Middle Eastern and North African countries' own reform efforts in the political, economic, and social fields. G8 members also agreed on setting up, as a venue for the realization of the initiative, the Forum for the Future. Concrete measures to support realization of the initiative are as follows:
 - (A) Political: free and transparent elections, capacity building for assemblies, promotion of women's participation in politics and society, legal reforms, safeguarding freedom of expression.
 - (B) Society and culture: enhancing quality of education, improving access to textbooks, improving digital knowledge.
 - (C) Economy: vocational training, fostering small and medium-sized enterprises, facilitating remittances from abroad, removing barriers to investment, support for accession to WTO, etc.
- (2) After a preparatory meeting in New York in September, the first meeting of the Forum for the Future was held in Rabat (Morocco) in December.

3. Japan's efforts

- (1) Japan announced at the Sea Island Summit aid over the next three years to benefit 100,000 persons in the area of education and literacy and 10,000 persons in the area of vocational training. It would also contribute up to US\$10 million to the fund to be established by the IFC to support medium- and small-scale enterprises in the region.
- (2) Japan announced at the first meeting of "the Forum for the Future" that it and Jordan would hold a joint workshop on vocational training in 2005 as a new initiative.

field of vocational training and contribute up to US\$10 million to the fund at the International Finance Corporation (IFC)¹⁸ to provide technical assistance to small and medium-sized enterprises in the region.

A foreign-ministerial-level preparatory meeting for the Forum for the Future was held in New York in September, with the participation of the G8, countries of the region, and international organizations. It was agreed that the first meeting of the forum would be held in Morocco by the end of the year. The meeting also adopted Egypt's proposal that a foreign-ministerial-level meeting of G8 countries and members of the League of Arab States should be held. Japan's then Foreign Minister Kawaguchi stated her view that the Forum for the Future should be open to all countries of the broader Middle Eastern and North African region, and that the

resolution of the conflict between Israel and the Palestinians and peace and stability in Iraq were important. She also underlined the importance of cooperation with the business community, pointing out that the Asia-Pacific Economic Cooperation (APEC) could be a useful example for the Forum.

At the first meeting of the Forum for the Future held in Rabat, Morocco, in December, based on a progress report on the reform initiatives announced at the summit, future measures were discussed. It was agreed that the second and third meetings of the forum would be held, respectively, in Bahrain in 2005 and Jordan in 2006. Japan's representative at the meeting, Senior Vice-Foreign Minister Aisawa, announced that Japan and Jordan would hold a joint workshop on vocational training in 2005 as a new initiative.¹⁹

18. The IFC was established in 1956 under the World Bank Group for the purpose of providing loans to private-sector corporations in developing countries in order to promote sustainable investment and to assist in eradicating poverty and raising standards of living. Currently 175 countries are members of the IFC.

19. Participants of the workshop will include government officials, experts, and business representatives from G8 countries and the countries of the broader Middle Eastern and North African region. Main topics of the workshop will be the employment situation and tasks to be addressed in countries of the region, case studies of successful vocational training practice, and the best ways of vocational training that matches expanding employment needs.

Japan has hitherto extended assistance to Islamic countries through ODA and has conducted exchange of views within the frameworks of Dialogue among Civilizations between Japan and the Islamic World and Japan-Arab Dialogue Forum. In connection with the Broader Middle East and North Africa Initiative, Japan supports the G8 initiative to back reform efforts by the

countries of the region themselves and to continue its efforts in the Forum for the Future, principally in the area of vocational training. Japan aims to make use of the forum in its diplomacy toward the Middle East as a new framework for multilateral consultations where high-level officials of the G8 and countries of the region come together in common cause.