

Chapter 2

Japan's Foreign Policy that Takes a Panoramic Perspective of the World Map

Section 1	Asia and Oceania	028
Section 2	North America	089
Section 3	Latin America and the Caribbean	103
Section 4	Europe	113
Section 5	Russia, Central Asia and Caucasus	134
Section 6	The Middle East and North Africa	142
Section 7	Africa	158

Section 1

Asia and Oceania

1 Overview

(General overview)

The Asia-Oceania region includes not only China and Japan, the second and third largest economies in the world, but also numerous emerging countries with remarkable growth. It is a dynamic region where diverse cultures and races intermingle and influence each other. As the world's growth center, this region, with an abundance of human resources, drives the world economy and has been enhancing its presence. Of the world population of 7.7 billion, approximately 3.6 billion people live in East Asia Summit (EAS)¹ member states (excluding the U.S. and Russia).² This represents about 47% of the world's population.³ The combined nominal gross domestic product (GDP) of the Association of Southeast Asian Nations (ASEAN) member states, China, and India increased by more than 260% over the last ten years, as compared to the world average of 140%.⁴ Total exports and imports of EAS member states (excluding the U.S. and Russia) are 11.4 trillion US dollars (2018), making it comparable

to the EU (12.7 trillion US dollars).⁵ There are close economic ties among these nations, and they have a high degree of economic interdependence. Further economic growth is expected, and this strong growth within the region will also help to bring renewed affluence and vitality to Japan. Realizing affluence and stability throughout Asia and Oceania is indispensable for Japan's peace and prosperity.

Meanwhile, the security environment in the Asia-Oceania region is becoming increasingly severe as seen in the following developments: the nuclear and missile development by North Korea; modernization of military forces in a manner that lacks transparency and attempt to change the status quo by force or coercion in the region; and tension within the region growing over maritime domain. Other factors hindering the stable growth of the region include immature economic and financial systems, environmental pollution, unstable demand and supply of food and resources, frequent natural disasters, and aging population.

Against this backdrop, Japan practices proactive diplomacy with neighboring countries as a pillar

1 EAS: East Asia Summit

2 ASEAN (member states: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Viet Nam), Japan, China, the ROK, India, Australia and New Zealand

3 The State of World Population 2019

4 World Bank (WB)

5 International Monetary Fund (IMF)



Japan-Australia Summit Meeting
(June 27, Osaka; Photo: Cabinet Public Relations Office)

of its diplomacy, and has been actively engaging in diplomacy including at the leaders' and foreign ministers' levels. Regarding the relations with Asia-Oceania countries, in 2019, Prime Minister Abe visited Thailand to attend the ASEAN-related Summit Meetings and the Mekong-Japan Summit Meeting in November, and visited China for the eighth Japan-China-Republic of Korea (ROK) Trilateral Summit Meeting in December. In Japan, Prime Minister Abe hosted the G20 Osaka Summit in June, and on the occasion of the Ceremony of the Enthronement of His Majesty the Emperor in October, held meetings with leaders of many Asia-Oceania countries. Foreign Minister Kono visited Asian countries and island countries. Foreign Minister Motegi, who was appointed to his post in September, hosted the G20 Aichi-Nagoya Foreign Ministers' Meeting and held meetings with key figures, including State Councilor and Foreign Minister Wang Yi of China, Foreign Minister Kang Kyung-wha of the ROK, and Foreign Minister Payne of Australia. Foreign Minister Motegi engaged in diplomatic activities in this region persistently, holding the first Foreign and Defence Ministerial Meeting ("2+2") between Japan and India in November.

Japan intends to continue to strengthen various cooperation, including Japan-ASEAN cooperation, such as pursuing synergy between the "Free and Open Indo-Pacific (FOIP)" and the "ASEAN Outlook on the Indo-Pacific (AOIP)"⁶ (see the Special Feature on page 81), as well as Japan-China-ROK cooperation focusing on the three areas of the environment, aging society, and people-to-people exchanges.

(Japan-U.S. Alliance and Indo-Pacific region)

The Japan-U.S. Security Alliance, with the Japan-U.S. Security Arrangements as its core, is the foundation of peace, prosperity, and freedom, not only for Japan but also for the Indo-Pacific region. In the midst of an increasingly severe regional security environment, the Japan-U.S. Alliance is more important than ever. Since the inauguration of President Trump in January 2017, Prime Minister Abe and President Trump held 47 Summit Meetings, including telephone calls, by the end of 2019. The two countries have been working closely at multiple levels, including at the summit level, to address the various issues of the Indo-Pacific region, including those related to North Korea.

Furthermore, Japan and the U.S. are deepening their cooperation in achieving FOIP. At the Japan-U.S. "2+2" in April, the two countries confirmed that they will jointly increase their presence in the region, while working with regional partners including through joint exercises and port calls. At the Japan-U.S. Summit Meeting held on the occasion of President Trump's state visit to Japan in May, a factsheet was issued outlining examples of concrete cooperation in the energy, digital, and infrastructure sectors. On the occasion of the ASEAN-related Foreign

⁶ AOIP: ASEAN Outlook on the Indo-Pacific

Adopted at the ASEAN Summit Meeting in June 2019. It is based on the principles of strengthening ASEAN Centrality in the Indo-Pacific region, as well as openness, transparency, inclusivity, a rules-based framework, good governance, respect for sovereignty, non-intervention, complementarity with existing cooperation frameworks, equality, mutual respect, mutual trust, mutual benefit, and respect for international law, such as the UN Charter, the UN Convention on the Law of the Sea, and other relevant UN treaties and conventions, the ASEAN Charter and various ASEAN treaties and agreements and the EAS Principles for Mutually Beneficial Relations. Based on this, it promotes maritime cooperation, connectivity, the SDGs, and cooperation in economic and other areas.

Ministers' Meetings held in Bangkok, Thailand in August, the Japan-United States Mekong Power Partnership⁷ was announced. On the occasion of the Indo-Pacific Business Forum held in Bangkok, Thailand in November, the Japan-U.S. Strategic Energy Partnership Statement and the Japan-U.S. Joint Statement on Furthering the Development of Smart Cities in the Indo-Pacific were released (see Chapter 2, Section 2, 1 (3)).

(Japan's measures on the comfort women issue)
(See 2(2)A(C) regarding the comfort women issue between Japan and the ROK)

The Government of Japan has sincerely dealt with the issues of reparations, property, and claims pertaining to the Second World War, including the comfort women issue, under the San Francisco Peace Treaty, which the Government of Japan concluded with 45 countries, including the U.S., the UK, and France, and through other bilateral treaties, agreements, and instruments. These issues including those of claims of individuals have already been legally settled with the parties to these treaties, agreements, and instruments.

On this basis, the Government of Japan has actively taken measures to recover the honor of former comfort women and to provide remedies for them. In 1995, the Asian Women's Fund (AWF) was established with the cooperation of the people and the Government of Japan for the purpose of carrying out atonement and remedy projects for former comfort women. The Government of Japan provided a total of 4.8 billion yen. In addition, approximately 600 million yen was donated to the AWF by the people of Japan. The Government of Japan extended maximum cooperation to the AWF, which implemented medical and welfare support projects and provided "atonement money," to offer realistic relief to former comfort women. As part of the AWF's projects, "atonement money" (2 million

yen per person), which was funded by donations from Japanese people, was provided to 285 former comfort women (211 in the Philippines, 61 in the ROK, 13 in Taiwan). Moreover, the AWF provided funds in those countries/areas for medical and welfare support funded with contributions by the Government of Japan (3 million yen per person in the ROK and Taiwan, 1.2 million yen per person in the Philippines) (for a total of 5 million yen per person in the ROK and Taiwan, 3.2 million yen per person in the Philippines). Furthermore, using funds contributed by the Government of Japan, the AWF extended support for projects to promote social welfare services for elderly people in Indonesia as well as projects to help improve the living conditions of former comfort women in the Netherlands.

When the "atonement money" as well as the medical and welfare support were provided to individual former comfort women, then-Prime Ministers (namely, Prime Ministers Hashimoto Ryutaro, Obuchi Keizo, Mori Yoshiro, and Koizumi Junichiro) sent signed letters expressing their apology and remorse directly to each former comfort woman.

As stated in the Statement by the Prime Minister issued in 2015, Japan will engrave in its heart the past, when the dignity and honor of many women were severely injured during wars in the 20th century. Japan will lead the world in making the 21st century an era in which women's human rights are not infringed upon.

Despite such sincere efforts by the Government of Japan, there are claims that can hardly be said to be based on historical facts, such as the allegations of "forceful taking away" of comfort women and "sex slaves" as well as the figures such as "200,000 persons" or "several hundred thousands" for the total number of comfort women.

The Government of Japan's position regarding these claims is as follows:

⁷ This is a joint Japan-U.S. program carried out in coordination with the Mekong countries to maintain and promote the development of sustainable energy and quality energy infrastructure, which serve as complementary driving forces for the economic development of the Mekong region.

● “Forceful taking away”

“Forceful taking away” of comfort women by the Japanese military and government authorities could not be confirmed in any of the documents that the Government of Japan was able to identify.

● “Sex slaves”

The expression of “sex slaves” contradicts the facts and should not be used. This point was confirmed with the ROK on the occasion of the Japan-ROK Agreement in December 2015 and the expression “sex slaves” is not used in the agreement.

● Figures such as “200,000 persons” for the total number of comfort women

The figure “200,000 persons” lacks concrete evidence. As stated in the report of the Government study’s result of August 4, 1993, it is virtually impossible to determine the total number of comfort women as no documents have been found which either indicate the total number or give sufficient ground to establish an estimate.

The Government of Japan has been making efforts to provide clear explanations regarding its sincere efforts and official position in international fora. Specifically, at the United Nations (UN), the Government of Japan has explained its position on a number of occasions such as during the examination of the Seventh and Eighth Periodic Reports by the Government of Japan on the implementation of the Convention on the Elimination of All Forms of Discrimination against Women in February 2016.⁸

Installations of comfort woman statues⁹ have been observed not only in the ROK but also in the U.S., Canada, Australia, China, Germany, the Philippines, Hong Kong, and Taiwan. Such moves are extremely regrettable and incompatible with

the position of the Government of Japan. In February 2017, the Government of Japan submitted its *amicus curiae* brief to the U.S. Supreme Court for the trial concerning a comfort woman statue installed in Glendale in the suburbs of Los Angeles, U.S.¹⁰ The Government of Japan will continue reaching out to various people involved in this issue to explain its position.

[See References]

- Announcement by Foreign Ministers of Japan and the Republic of Korea at the Joint Press Occasion (December 2015)
- Remarks by Deputy Minister for Foreign Affairs Sugiyama for the Consideration of the Seventh and Eighth Periodic Reports by the Government of Japan under the Convention on the Elimination of All Forms of Discrimination against Women (February 2016)
- Brief of the Government of Japan as *Amicus Curiae* in Support of Petitioners, *Koichi Mera and Gaht-US Corporation v. City of Glendale* (February 2017)

2 Korean Peninsula

(1) North Korea (including the abductions issue)

The Government of Japan has been taking various initiatives to realize its basic policy of seeking to normalize its relations with North Korea through comprehensively resolving outstanding issues of concern, such as the abductions, nuclear and missile issues, and settling the unfortunate past in accordance with the Japan-DPRK Pyongyang Declaration of September 2002.

Between the U.S. and North Korea, the second U.S.-North Korea Summit was held in Hanoi, Viet Nam in February 2019. President Trump and Chairman of State Affairs Commission Kim

⁸ See References on the comfort women issue

⁹ For the sake of practical convenience, they are referred to as “comfort woman statues.” However, the use of this term is not a reflection of the recognition that these statues correctly embody the reality of those women at that time.

¹⁰ See References on the comfort women issue

Jong-un met in Panmunjom in June, and U.S.-North Korea working-level talks took place in Stockholm, Sweden in October. North Korea frequently and repeatedly conducted launches of ballistic missiles, counting more than 20 from May to November 2019, and also launched ballistic missiles several times in March 2020. Under these circumstances, it is important that the international community remains united to support the process between the U.S. and North Korea toward the denuclearization of the Korean Peninsula. Japan will continue to coordinate closely with the U.S. and the ROK and cooperate with the international community, including China and Russia, toward the resolution of the issues concerning North Korea.

With regard to the abductions issue, Japan continues to call on North Korea to implement the May 2014 Japan-North Korea agreement (the agreement in Stockholm¹¹) and will continue to make utmost efforts to realize the return home of all abductees at the earliest possible date, while coordinating closely with relevant countries including the U.S.

A North Korea Nuclear and Missile Issues

North Korea has not carried out the dismantlement of all weapons of mass destruction and ballistic missiles of all ranges in a complete, verifiable, and irreversible manner, in accordance with a series of relevant UN Security Council resolutions.

In his New Year Address in January 2019, Chairman Kim stated that North Korea's invariable stand was to advance toward complete denuclearization. The Chairman also stated that while he was ready to hold dialogues with the U.S., North Korea would be compelled to find a new way if the U.S. persists in imposing sanctions and pressure.

In his policy speech to the Supreme People's Assembly on April 12, Chairman Kim stated:

“What I feel now is if there will be any need to keep an attachment to the summit with the U.S. just because of the issue of sanctions relief. Anyway, we will wait for a bold decision from the U.S. with patience till the end of this year.”

On May 4, North Korea launched short-range ballistic missiles in violation of the UN Security Council resolutions. This was followed by frequent and repeated launches of ballistic missiles counting more than 20 by November. In December, North Korea announced that it conducted a “crucial test” twice at the satellite launching ground in Dongchang-ri, saying it “will be applied to further bolstering up the reliable strategic nuclear deterrent” of North Korea.

A plenary meeting of the Central Committee of the Workers' Party of Korea (WPK) was convened from December 28 to 31. Chairman Kim reportedly stated at the meeting, “The world will witness a new strategic weapon to be possessed by the DPRK in the near future,” noting it should “conduct the offensive for frontal breakthrough, not to wait for the situation to turn better.” In January 2020, a New Year Address by Chairman Kim, which had been customary since 2013, was not publicly delivered.

North Korea has repeatedly conducted missile launches, including a series of launches of short-range ballistic missiles and the launch of a submarine-launched ballistic missile (SLBM) in October. It is obvious that the purpose is to improve the missile technology and such launches pose a serious challenge not only to Japan but also to the international community and are totally unacceptable.

In response to North Korea's repeated ballistic missile launches, informal consultations were held at the UN Security Council in August, October, and December 2019 and in March 2020 at the request of the UK, France, and Germany. A UN Security Council briefing (public) on “Non-proliferation/DPRK” was held in December. At

¹¹ In May 2014, Japan-North Korea Intergovernmental Consultations were held in Stockholm, Sweden. North Korea promised to conduct a comprehensive and full-scale investigation on all Japanese nationals, including abductees.

the meeting, many countries including Japan expressed concerns that ballistic missile launches by North Korea were in violation of the UN Security Council resolutions, urged North Korea to refrain from further provocations, demanded its return to the U.S.-North Korea process, and stated that the sanctions based on the UN Security Council resolutions should be maintained as long as North Korea does not take concrete measures toward denuclearization.

It is crucial that the international community makes concerted efforts to fully implement the UN Security Council resolutions for the dismantlement of all weapons of mass destruction and ballistic missiles of all ranges in a complete, verifiable, and irreversible manner by North Korea. As part of the Japan Coast Guard's patrolling activities and the Self-Defense Forces' monitoring and surveillance activities, Japan has been conducting information gathering on the activities of vessels suspected to be violating the UN Security Council resolutions. When the Government of Japan finds activities strongly suspected to be violating the UN Security Council resolutions, including ship-to-ship transfers with North Korean vessels, measures have been taken such as notification to the UN Security Council 1718 Sanctions Committee and other bodies, sharing of information with related countries, and releasing of information to the public. In 2019, Japan revealed to the public 13 activities strongly suspected to be ship-to-ship transfers, through the Ministry of Foreign Affairs (MOFA) website and through other media. Aircraft of Canada, Australia, New Zealand, and France, in addition to the U.S., based in Kadena Air Base have engaged in monitoring and surveillance activities against illicit maritime activities, including ship-to-ship transfers. Furthermore, monitoring and surveillance activities were conducted in waters surrounding Japan including the East China Sea, by naval vessels such as multiple vessels of the U.S. Navy, the British Royal Navy frigate MONTROSE, the Royal Canadian Navy frigates OTTAWA and REGINA

and supply vessel ASTÉRIX, the Royal Australian Navy frigates MELBOURNE and PARRAMATTA, and the French Navy frigate VENDÉMIAIRE. From the perspective of further deepening the multinational cooperation, Japan considers it significant that Japan, the U.S., Australia, New Zealand, Canada, the UK, and France are sharing information and coordinating efforts to ensure that UN Security Council resolutions are implemented fully and effectively.

B The Abductions Issue and Japan-North Korea Relations

(A) Basic Position on the Abductions Issue

To date, the Government of Japan has identified 12 separate incidents, involving a total of 17 Japanese abductees, 12 of whom have not yet returned home. North Korea claims that 8 of these 12 abductees have died and that it is unable to confirm that the other 4 ever entered its territory, but as no convincing explanation of this claim has been provided, Japan continues to work toward the resolution of this issue on the assumption that all of the abductees whose whereabouts are unknown are still alive. As well as being a critical issue concerning the sovereignty of Japan and the lives and safety of Japanese citizens, abduction by North Korea constitutes a universal issue among the international community as a violation of basic human rights. Based on the basic recognition that the normalization of its relations with North Korea is impossible without resolving the abductions issue, Japan has positioned its resolution as the most important issue. Accordingly, Japan has strongly urged North Korea to provide a full account of all the abduction cases, to hand over the perpetrators to Japan, and to ensure the safety of all abductees and their immediate return to Japan, irrespective of whether the abductees are officially identified.

(B) Initiatives by Japan

Following the nuclear test by North Korea in January 2016 and the launch of the ballistic



Prime Minister Abe and President Trump meet with the families of abductees (May 27, Tokyo; Photo: Cabinet Public Relations Office)

missile in the following month which North Korea purported to be a “satellite,” Japan announced its autonomous measures against North Korea in February 2016. In response, North Korea unilaterally announced that it would completely stop the investigations on all Japanese nationals and dissolve the Special Investigation Committee. Japan lodged a serious protest against North Korea, conveyed its intention of not abandoning the agreement in Stockholm, and strongly demanded that North Korea implement the agreement and return all the abductees home at the earliest possible date.

(C) Japan-North Korea Relations

During the reception of the PyeongChang Olympic Winter Games Opening Ceremony hosted by President Moon Jae-in on February 9, 2018, Prime Minister Abe brought up the abductions, nuclear and missile issues and conveyed Japan's basic position to Kim Yong-nam, President of the Presidium of the Supreme People's Assembly of North Korea. Prime Minister Abe strongly urged North Korea to resolve the abductions issue, especially the return of all abductees to Japan. In September, Foreign Minister Kono held a meeting with the North Korean Minister of Foreign Affairs Ri Yong Ho at the UN headquarters.

In May 2019, Prime Minister Abe stated that he “would like to meet with Chairman Kim Jong-un without attaching any condition and talk candidly and frankly.” To this, President Trump, who

visited Japan in the same month, expressed strong support saying that President Trump would support Prime Minister Abe totally and would not spare any efforts in assisting him.

(D) Cooperation with the International Community

In order to resolve the abductions issue, it is essential for Japan not only to proactively urge North Korea, but also to gain understanding and support from other countries regarding the importance of resolving the abductions issue. Japan has taken all possible diplomatic opportunities to raise the abductions issue, including at summit meetings, foreign ministers' meetings and international conferences such as the G7 Summit, the Japan-China-ROK Trilateral Summit, the Japan-U.S.-ROK Foreign Ministers' Meeting, ASEAN-related Summit Meetings, and UN meetings.

With regard to the U.S., President Trump raised the abductions issue with Chairman Kim at the U.S.-North Korea Summit in June 2018, at the request of Prime Minister Abe. In addition, the U.S. has raised the abductions issue with North Korea at other opportunities, such as Secretary of State Pompeo's visit to North Korea. At the second U.S.-North Korea Summit in February 2019, President Trump raised the abductions issue with Chairman Kim at the tête-à-tête meeting, which was held first on the first day, and clearly stated Prime Minister Abe's views regarding the abductions issue. At the small group dinner that followed, President Trump again raised the abductions issue, and a serious discussion was held between the leaders. When President Trump visited Japan in May 2019, he met with the families of the abductees as he had done during his previous visit in November 2017, listened attentively to the emotional pleas by the family members and encouraged them. At the U.S. Congress, a resolution regarding a U.S. citizen possibly abducted by North Korea was approved and passed during the regular session of the House of Representatives in September 2016 as well as during the regular session of the Senate

in November 2018.

With regard to China, at the Japan-China Summit Meeting in June 2019, President Xi Jinping stated that he had conveyed Japan's position on Japan-North Korea relations and Prime Minister Abe's views to Chairman Kim during the China-North Korea Summit held in the same month. Prime Minister Abe also gained the strong support of President Xi for the improvement of Japan-North Korea relations, including the abductions issue.

The ROK has raised the abductions issue with North Korea at multiple opportunities, including the Inter-Korean Summit in April 2018. At the Japan-ROK Summit Meeting in December 2019, President Moon Jae-in of the ROK expressed his understanding for Japan's position regarding the importance of the abductions issue and stated that the ROK had repeatedly raised the abductions issue with North Korea. At the Japan-China-ROK Trilateral Summit Meeting in December 2019, Prime Minister Abe sought the support and cooperation of President Moon Jae-in and Premier of the State Council of China Li Keqiang for the early resolution of the abductions issue and obtained their understanding on Japan's position. The abductions issue was included in the Summit Meeting's outcome document.

Furthermore, at the Japan-Russia Summit Meeting in September 2018, Prime Minister Abe called on Russia's cooperation in resolving the abductions issue and obtained President Putin's understanding.

Japan will continue to closely coordinate and cooperate with relevant countries, including the U.S., toward the early resolution of the abductions issue.

C North Korea's External Relations, etc.

(A) U.S.-North Korea Relations

On January 18, 2019, President Trump and Secretary of State Pompeo held a meeting with Kim Yong-chol, Deputy Chairman of the WPK, in Washington D.C. The U.S. Government

announced that the second U.S.-North Korea Summit would be held around the end of February.

From February 27 to 28, President Trump and Chairman Kim held the second U.S.-North Korea Summit in Hanoi, Viet Nam. However, the summit ended without reaching any agreement.

On April 12, Chairman Kim delivered a policy speech to the Supreme People's Assembly in which he noted, "If the U.S. comes forward for the third DPRK-U.S. summit...we can think of holding one more talks," adding, "We will wait for a bold decision from the U.S. with patience till the end of this year."

On June 30, President Trump and Chairman Kim met in Panmunjom. On October 5, U.S.-North Korea working-level talks took place in Stockholm, Sweden.

A plenary meeting of the Central Committee of the WPK was convened from December 28 to 31. Regarding U.S.-North Korea relations, Chairman Kim reportedly stated in his speech, "If the U.S. persists in its hostile policy towards the DPRK, there will never be the denuclearization on the Korean Peninsula."

In March, June, July, August, and September 2019 and January and March 2020, the U.S. newly designated individuals, entities, and ships which are subject to sanctions based on the autonomous measures of the U.S. against North Korea for reasons such as providing illegal support to North Korea. The sanctions target entities and individuals in North Korea, as well as those in third countries, including Russia and China.

(B) Inter-Korean Relations

There was no significant progress in inter-Korean dialogue and cooperation programs in 2019, compared to 2018 which saw considerable strides in inter-Korean relations including the holding of three Inter-Korean Summits.

In June 2019, the Government of the ROK, based on its position of extending humanitarian assistance to North Korea regardless of the political situation, announced its intention to promote

humanitarian and food assistance, including the contribution of 8 million US dollars and the provision of 50,000 tons of rice produced in the ROK through international organizations. However, the food assistance has yet to be implemented.

In October, Chairman Kim visited the Mount Kumgang Tourist Region where ROK companies and others participated in the development, and reportedly instructed the removal of ROK facilities from the region upon the ROK's agreement. Subsequently, North Korea has been requesting to the ROK for the removal of its facilities.

In November, North Korean forces conducted a shelling drill on Ch'angnin Island near its border with the ROK as Chairman Kim observed. The Government of the ROK pointed out that the drill was a breach of the Agreement on the Implementation of the Historic Panmunjom Declaration¹² in the Military Domain¹³ and called for North Korea's compliance with the agreement.

On January 7, 2020, President Moon Jae-in stated in his New Year's Address, "It is regrettable that we've not been able to make further progress in inter-Korean cooperation over the past year," and called for inter-Korean dialogue, saying, "I am willing to meet time and time again and constantly engage in dialogue."

(C) China-North Korea and Russia-North Korea Relations

The year 2019 marked the 70th anniversary of the establishment of diplomatic relations between China and North Korea. In January, Chairman Kim visited China, and in June, President Xi Jinping visited North Korea for the first time since he took office. Events were also held both in China and North Korea to commemorate the anniversary.

Under such circumstances, China and North Korea have maintained close economic ties.

Trade between China and North Korea continues to account for approximately 90% of North Korea's entire external trade excluding inter-Korean trade.

With regard to Russia-North Korea relations, Chairman Kim visited Vladivostok, Russia in April for the first time since he took office and held a meeting with President Putin.

(D) Other Issues

In 2019, a total of 158 drifting or wrecked wooden vessels presumed to be from North Korea were discovered (225 in 2018). The Government of Japan continues its effort to gather and analyze information, with great interest on relevant developments. In January, four and two survivors were respectively found in Okinoshima, Shimane Prefecture and off the coast of Fukaura, Aomori Prefecture. The Government of Japan has dealt appropriately with both incidents in accordance with the related laws and regulations, in close coordination among relevant ministries and agencies, including handing over the survivors to North Korea. In October, a collision incident occurred between a fishery patrol vessel of the Fisheries Agency and what appears to be a North Korean-flagged vessel in Japan's Exclusive Economic Zone (EEZ) around Yamatotai bank in the Sea of Japan. Japan will continue to deal appropriately with these issues in close coordination among relevant ministries and agencies.

D Domestic Political Affairs and Economy

(A) Political Affairs

In North Korea, the power base of the regime centered on Chairman Kim is being enhanced. Through the revision of the party constitution at the Seventh Party Congress of the WPK held in May 2016, the post of Chairman of the Party

¹² "Panmunjom Declaration on Peace, Prosperity and Reunification of the Korean Peninsula" signed at the Inter-Korean Summit between President Moon and Chairman Kim on April 28, 2018. Chairman Kim's intention for the denuclearization of North Korea was affirmed in this document.

¹³ Based on this agreement, which was adopted as a result of the Inter-Korean Summit in September 2018, measures were taken that include the suspension of military exercises around the Military Demarcation Line (MDL), establishment of a no-fly zone over the MDL and withdrawal of some guard posts in the demilitarized zone.

was newly established and Kim Jong-un, First Secretary of the Party, was appointed as the Chairman of the Party, establishing a new party structure centered on Chairman Kim. Moreover, in June 2016, the Fourth Session of the 13th Supreme People's Assembly was held. The National Defense Commission (NDC) was reorganized into the State Affairs Commission, and Kim Jong-un, First Chairman of the NDC, was appointed as Chairman of the State Affairs Commission. In 2019, the Constitution of North Korea was amended twice, and as a result, the role of the Chairman of the State Affairs Commission is stipulated with greater clarity.

At the plenary meeting of the Central Committee of the WPK held in April 2018, Chairman Kim declared victory of the “byungjin policy,” which was presented at the plenary meeting of the Central Committee of the WPK in March 2013, and he stated that focusing all of its energies on economic construction was the strategic policy of the Party. At the four-day plenary meeting of the Central Committee of the WPK in December 2019, Chairman Kim delivered a speech in which he asserted that the key front in the offensive for frontal breakthrough was the economic front and urged self-reliance to the people.

(B) Economy

The National Five-Year Strategy for Economic Development (2016–2020) was announced at the Seventh Party Congress of the WPK in May 2016. In his New Year Address in January 2019, as North Korea entered the fourth year of the Strategy, Chairman Kim stated that impetus must be given to its implementation.

North Korea's economic growth rate in 2018 was -4.1% (Bank of Korea estimate), recording negative growth following on from the -3.5% in the previous year. Trade with China continues to account for the largest share of North Korea's external trade. In 2018, the total value of North Korea's external trade (excluding inter-Korean trade) was approximately 2.8 billion US dollars

(Korea Trade-Investment Promotion Agency (KOTRA) estimate), of which trade with China accounted for more than 90%.

E Other Issues

Defectors who have fled North Korea have to be kept in hiding to avoid being cracked down by the authorities in the countries where they are staying or to avoid being forcibly repatriated to North Korea. The Government of Japan is addressing the protection of and support for these North Korean defectors, in line with the purpose of the North Korean Human Rights Violation Act, taking into account a comprehensive range of factors, including humanitarian considerations, the safety of those concerned, and relations with the countries in which these defectors reside. Relevant ministries and agencies in Japan are working together closely to promote measures aimed at helping the settlement of defectors accepted by Japan.

(2) Republic of Korea (ROK)

A Japan-ROK Relations

(A) Bilateral Relations

The Republic of Korea (ROK) is an important neighboring country for Japan. The two countries have built a close, friendly and cooperative relationship based on the Treaty on Basic Relations between Japan and the Republic of Korea, the Agreement on the Settlement of Problems Concerning Property and Claims and on the Economic Co-operation between Japan and the Republic of Korea, and other relevant agreements that the two countries concluded when they normalized their relationship in 1965. In spite of the above, in 2019, following on from 2018, the relations between Japan and the ROK continued to face difficult situations amid unending negative moves by the ROK, including the ROK's continued failure to remedy its accumulated breaches of international law regarding the issue of former civilian workers from the Korean Peninsula (CWKs), the notification to terminate the Agreement between the Government of Japan



Japan-ROK Summit Meeting with President Moon Jae-in
(December 24, Chengdu, China;
Photo: Cabinet Public Relations Office)

and the Government of the Republic of Korea on the Protection of Classified Military Information (GSOMIA) (however, the ROK later suspended the effect of the notification of termination), moves to dissolve “the Reconciliation and Healing Foundation” regarding the comfort women issue, landing on Takeshima by South Koreans including the members of the National Assembly of the ROK and military exercises on Takeshima, the sailing of ROK marine research vessels in waters surrounding Takeshima, and raising unconstructive questions regarding the ALPS treated water at the TEPCO Fukushima Daiichi Nuclear Power Station.

Under these circumstances, a Japan-ROK Summit Meeting was held in December for the first time in one year and three months. The two leaders reaffirmed the importance of coordination between Japan and the ROK as well as among Japan, the ROK, and the U.S. with respect to security issues, including those regarding North

Korea. In addition, Prime Minister Abe directly called upon President Moon Jae-in to propose a solution at its own responsibility to the issue of CWKs, which is the largest issue in the bilateral relations. On this basis, the two leaders shared the view that consultations between their diplomatic authorities should be continued in order to resolve this issue. As part of this intention, consultations between the diplomatic authorities were held frequently, including a total of eight Japan-ROK Foreign Ministers’ Meetings and Japan-ROK Director-General-level consultations on multiple occasions.

(B) The Issue of Former Civilian Workers from the Korean Peninsula (CWKs)

The Agreement on the Settlement of Problems Concerning Property and Claims and on the Economic Co-operation between Japan and the Republic of Korea, which was at the core of the normalization of their relationship in 1965, stipulates that Japan shall supply to the ROK 300 million US dollars in grants and extend loans up to 200 million US dollars (Article I). In addition, the Agreement stipulates that the “problem concerning property, rights and interests of the two Contracting Parties and their nationals (including juridical persons) and concerning claims between the Contracting Parties and their nationals [abridged] is settled completely and finally” and that “no contention shall be made” with respect to such claims (Article II).

However, in October and November 2018, the Supreme Court of the ROK gave final judgments ordering Japanese companies to pay compensation to ROK nationals who were working for the companies during the Second World War. Such judgments are extremely regrettable and totally unacceptable. They clearly violate Article II of the Agreement on the Settlement of Problems concerning Property and Claims and on the Economic Co-operation between Japan and the Republic of Korea and inflict unjustifiable damages and costs on the Japanese companies. Above



Japan-ROK Foreign Ministers' Meeting
(November 23, Nagoya, Japan)

all, the judgments completely overthrow the legal foundation of the friendly and cooperative relationship that Japan and the ROK have developed since the normalization of diplomatic relations in 1965.¹⁴

In January 2019, the Government of Japan requested a diplomatic consultation with the Government of the ROK pursuant to Article III-1 in order to settle this issue in accordance with the dispute settlement procedures under the Agreement. However, the Government of the ROK failed to respond to the request.¹⁵ Therefore, the Government of Japan notified in May that it would refer to an arbitration board for a decision, pursuant to Article III-2 of the Agreement, and proceeded with the arbitration process. Nevertheless, the Government of the ROK did not fulfill its obligations within the period stipulated in the Agreement to appoint an arbitrator nor to choose a third country, the Government of which is to appoint an arbitrator for the Contracting Party. As a result, the arbitration board referred to in May could not be constituted.

The Government of Japan will continue to call upon the ROK to remedy its breaches of international law and will maintain communication between Japan-ROK diplomatic authorities to resolve this issue.

(C) The Issue of Comfort Women

As the issue of comfort women has been a major diplomatic issue in Japan-ROK relations since the 1990s, Japan has sincerely dealt with it. The issue concerning property and claims between Japan and the ROK was legally settled in 1965 through the Agreement on the Settlement of Problems concerning Property and Claims and on the Economic Co-operation between Japan and the Republic of Korea. However, from the

perspective of facilitating feasible remedies for the former comfort women, the people and the Government of Japan cooperated to establish the Asian Women's Fund in 1995, through which they carried out medical and welfare projects and provided "atonement money" to each former comfort woman in Asian and other countries, including the ROK. In addition, successive Prime Ministers have sent letters expressing their "apology and remorse" to former comfort women. The Government of Japan has made every effort as mentioned above.

Furthermore, as a result of great diplomatic efforts, the Governments of Japan and the ROK confirmed that the issue of comfort women was "resolved finally and irreversibly" with the agreement reached at the Japan-ROK Foreign Ministers' Meeting in December 2015.¹⁶ The Japanese and ROK leaders also confirmed that they would take responsibility as leaders to implement this agreement, and that they would deal with various issues based on the spirit of this agreement. This was welcomed by the international community, including then UN Secretary-General Ban Ki-moon and the U.S. Government. In accordance with the agreement, in August 2016, the Government of Japan contributed 1 billion yen to "the Reconciliation and Healing Foundation" established by the Government of the ROK. As of December 31, 2019, the fund provided financial support to 35 out of 47 former comfort women who were alive at the time of the agreement, and to the bereaved families of 64 out of 199 former comfort women who were deceased at the time. The agreement has been received positively by many former comfort women.

However, in December 2016, a comfort woman statue¹⁷ was installed on the sidewalk facing the Consulate-General of Japan in Busan by a civic

¹⁴ See References on the issue of former civilian workers from the Korean Peninsula (CWKs)

¹⁵ See References on the issue of former civilian workers from the Korean Peninsula (CWKs)

¹⁶ See References on the comfort women issue

¹⁷ For the sake of practical convenience, they are referred to as "comfort woman statues." However, the use of this term is not a reflection of the recognition that these statues correctly embody the reality of those women at that time.

group in the ROK. Later, the Moon Jae-in administration was newly inaugurated in May 2017. Based on the results of the assessment made by the Taskforce to Review the Agreement on Comfort Women Issue under the direct supervision of the Minister of Foreign Affairs of the ROK, Foreign Minister Kang Kyung-wha announced the position of the Government of the ROK on January 9, 2018, as follows: i) it will not ask for a renegotiation with Japan; and ii) the 2015 agreement, which fails to properly reflect the wishes of the victims, does not constitute a true resolution of the issue. In July 2018, the Ministry of Gender Equality and Family of the ROK announced that it would arrange a reserve budget to “appropriate the full amount” of the 1 billion yen contributed by the Government of Japan and contribute this amount to “the Gender Equality Fund.” In November 2018, the Ministry of Gender Equality and Family announced that it would proceed with its dissolution of “the Reconciliation and Healing Foundation” and has since moved ahead with the dissolution procedures. While the Government of the ROK, including President Moon Jae-in, repeatedly stated in public that it “will not abandon the agreement” and “will not ask for a renegotiation with Japan,” the moves to dissolve the Foundation are totally unacceptable for Japan in light of the 2015 Japan-ROK Agreement.

With regard to the trial at a Seoul district court in the ROK instituted by former comfort women and others against the Government of Japan in 2016, the Government of Japan informed the Government of the ROK in May 2019 that it will not submit to the jurisdiction of the ROK based on

the principle of sovereign immunity under international law and that the trial must be dismissed. In December, the Constitutional Court of the ROK dismissed the petition by former comfort women that the 2015 Japan-ROK Agreement was unconstitutional. In any event, it remains unchanged that the Government of Japan will continue to call on the Government of the ROK to steadily implement the 2015 Japan-ROK Agreement (see page 30 and References: The Issue of Comfort Women regarding the international community's handling of the comfort women issue).

(D) Takeshima Dispute

Regarding the dispute between Japan and the ROK concerning the territorial sovereignty over Takeshima, Takeshima is indisputably an inherent part of the territory of Japan in light of historical facts and based on international law. The ROK has continued its illegal occupation of Takeshima with no legal basis in international law, including stationing permanent security personnel. Japan has been keeping the world informed about Japan's position on the issue through various media,¹⁸ and has repeatedly lodged strong protests against the ROK over matters such as landing on the island by South Koreans including members of the ROK's National Assembly, and the ROK's military exercises and marine researches.¹⁹ In particular, in 2019, the members of the ROK's National Assembly landed on Takeshima in August, and military exercises and maritime surveys were also conducted on the island or its vicinity. The Government of Japan considers them unacceptable in view of Japan's position and

¹⁸ In February 2008, the Ministry of Foreign Affairs published a pamphlet entitled “Takeshima: 10 points to understand the Takeshima Dispute.” Currently, it is available on the Ministry of Foreign Affairs' website in 11 languages: Japanese, English, Korean, French, German, Spanish, Portuguese, Arabic, Russian, Chinese, and Italian. Furthermore, since October 2013, videos and flyers about Takeshima have been available on the Ministry of Foreign Affairs' website, and they are currently available in the above 11 languages. In addition, Japan has taken initiatives such as distributing a smartphone app that aims to increase awareness of the Takeshima issue. Further details are available on the website of the Ministry of Foreign Affairs here: <https://www.mofa.go.jp/region/asia-paci/takeshima/index.html>

¹⁹ A delegation of six ROK National Assembly members led by Sul Hoon, a member of the Minjoo Party of Korea, landed on Takeshima in August 2019. In addition, the ROK Armed Forces conducted Takeshima defense training in August and December 2019. Following each of these instances, the Government of Japan immediately conveyed to the Government of the ROK that such an act was unacceptable and extremely regrettable in light of Japan's position on sovereignty over Takeshima, and strongly protested against the act.



lodged strong protests.

For a peaceful settlement of the Takeshima dispute, Japan proposed to the ROK that the issue be referred to the International Court of Justice (ICJ) in 1954, 1962, and 2012. However, the ROK rejected the proposal in all instances. Japan is determined to continue to engage in appropriate diplomatic efforts to settle the Takeshima dispute in a peaceful manner in accordance with international law.

(E) Japan-ROK GSOMIA

The Governments of Japan and the ROK concluded Agreement between the Government of Japan and the Government of the Republic of Korea on the Protection of Classified Military Information (GSOMIA) in November 2016 in order to strengthen cooperation and coordination between the two countries in the field of security and contribute to regional peace and stability. The agreement was automatically extended in 2017 and 2018. However, the Government of the ROK announced on August 22, 2019, its decision to terminate the GSOMIA in connection with Japan's update of licensing policies and procedures on exports (see (F) below) and notified the termination on the following day, August 23. In response, on August 22, then Foreign Minister Kono summoned ROK Ambassador to Japan Nam Gwan-pyo and stated that the decision by the Government of the ROK to terminate the GSOMIA reflected its total misapprehension of the current regional security environment and was extremely regrettable. On November 22, the Government of the ROK announced that it would suspend the effect of the notification of termination of August 23. The Government of Japan deems that the Government of the ROK made this decision in view of the current regional security environment.

(F) Update of Licensing Policies and Procedures on Exports of Controlled Items to the ROK

In order to properly manage trade in goods and technologies which could potentially be put to

military use, the Ministry of Economy, Trade and Industry announced the following updates on July 1, 2019: (1) the amendment of the Export Trade Control Order of the ROK (note: a revised Cabinet ordinance excluding the ROK from "Group A" entered into force on August 28) and (2) switching from bulk licenses to individual export licenses for Fluorinated polyimide, Resist, and Hydrogen fluoride.

The ROK responded with measures such as stricter export controls on Japan (note: an updated export control system that removes Japan from the list of countries receiving preferential treatment entered into force on September 18). In connection with Japan's update of export licensing policies and procedures, the ROK also announced its decision to terminate the GSOMIA (August 22). Furthermore, on September 11, the ROK requested bilateral consultations with Japan on the account that Japan's updates related to three items were in breach of the World Trade Organization (WTO) Agreement (note: bilateral consultations were held in Geneva, Switzerland, in October and November).

In this context, the Government of the ROK announced on November 22 that it suspended the effect of the notification of termination of the GSOMIA, and that it would also suspend its WTO complaint procedures while the Japan-ROK Export Control Policy Dialogue would be held as normal. On this basis, on December 16, the seventh Export Control Policy Dialogue was held for the first time in three and a half years, at which the two countries agreed to continue dialogues between their export control authorities.

(G) Exchange

In 2018, the number of people making visits between the two countries was approximately 10.49 million people, exceeding 10 million for the first time. In 2019, however, the number was approximately 8.85 million people due to a significant decrease in the number of people visiting Japan from the ROK. Nevertheless,

the Governments of Japan and the ROK have shared the view on multiple occasions that, notwithstanding the challenging situation of the bilateral relationship, the two countries should continue their exchanges at a variety of levels, including people-to-people exchanges, economic exchanges, and regional exchanges.

In Japan, K-POP, South Korean TV dramas, etc. are widely accepted by people of all ages. In recent years, Korean cuisine has become widespread throughout Japan, and Korean cosmetics are popular mainly among young Japanese women. Despite the severe situation of Japan-ROK relations, the major Japan-ROK grassroots exchange program “Japan-Korea Exchange Festival” (Nikkan Omatsuri) attracted many visitors in both Tokyo and Seoul. The Government of Japan continues to work on promoting mutual understanding primarily between young people and building a friendly and cooperative relationship for the future through Japan's Friendship Ties Programs (JENESYS 2019).

(H) Other Issues

Sea of Japan is the only internationally established name for the sea area concerned, and the UN and governments of major countries such as the U.S. adopt Sea of Japan as the official name. Objections to this name, however, were first raised by the ROK and North Korea in 1992. Since then, the ROK and North Korea have been objecting to the name at the UN Conference on the Standardization of Geographical Names, the

International Hydrographic Organization (IHO), and other international conferences. These assertions however are groundless, and Japan has firmly refuted these assertions each time they arise.

Furthermore, Japan has made requests to the Government of the ROK through its diplomatic channels to return cultural properties that were stolen and are currently in the ROK²⁰ to Japan as soon as possible. Japan will continue to call upon the Government of the ROK for their prompt return.

Other than these issues, Japan has provided supports and taken measures as much as possible from a humanitarian perspective in a wide range of fields, including responses for ethnic Koreans in Sakhalin,²¹ addressing the issue of atomic bomb survivors living in the ROK,²² and helping Hansen's disease patients admitted to sanitariums in the ROK.²³

B Japan-ROK Economic Relations

The total value of trade between the two countries amounted to approximately 8.27 trillion yen in 2019. Japan is the ROK's third largest trading partner, and vice versa. The ROK's trade deficit with Japan decreased by approximately 19% from a year earlier, reaching approximately 1.82 trillion yen (Trade Statistics of Japan, Ministry of Finance). Japanese direct investment in the ROK totaled approximately 1.4 billion US dollars (up 10% from the previous year) (figures published by the ROK Ministry of Trade, Industry and Energy), making Japan the ROK's sixth largest source of

²⁰ In April 2016, Buseoksa Temple in the ROK called for the Government of the ROK to return to Buseoksa Temple a Seated Kanzeon Bodhisattva statue, which had been stolen from Tsushima City in Nagasaki Prefecture and not returned to Japan, and filed a suit in the Daejeon District Court. On January 26, 2017 the court issued the verdict in the first instance which awarded the statue to the plaintiff (Buseoksa Temple).

²¹ For various reasons, before the end of World War II, people from the Korean Peninsula traveled to what was then known as Minami Karafuto (South Sakhalin) and were compelled to remain there for a long time after the war ended under the de facto rule of the Soviet Union, without being given the opportunity to return to the ROK. The Government of Japan is providing such people with support, such as to enable them to return home temporarily and to visit Sakhalin.

²² This is the issue of provision of support to those who were exposed to the atomic bombs while living in Hiroshima or Nagasaki during World War II and subsequently went to live overseas. To date, Japan has provided support in the form of the Atomic Bomb Victim Health Handbook and allowances based on the Atomic Bombs Survivors' Assistance Act.

²³ People who were admitted to Hansen's disease sanatoriums built overseas by Japan before the end of the war had demanded the payment of compensation in accordance with the Act on Payment of Compensation to Inmates of Hansen's Disease Sanatorium. The Act was revised in February 2006, allowing compensation to be paid to those who were formerly resident in sanatoriums overseas for the first time.

foreign direct investment.

Japan and the ROK continue to make every effort for progress in negotiations concerning the Japan-China-ROK Free Trade Agreement (FTA) and the Regional Comprehensive Economic Partnership (RCEP).

On the other hand, following Japan's announcement in July on the application of its export control measures, campaigns unfolded in the ROK to boycott Japanese products and refrain from traveling to Japan. At the national and local assemblies of the ROK, legislation and ordinances were enacted to restrict procurement of Japanese company products.

With respect to the WTO dispute settlement procedures between Japan and the ROK, the WTO Appellate Body issued a report that recognized Japan's major claims in "Korea - Anti-Dumping Duties on Pneumatic Valves From Japan" (September 2019). Other dispute settlement cases are ongoing, including "Korea - Sunset Review of Anti-Dumping Duties on Stainless Steel Bars" (note: a panel was established in October 2018) and "Korea - Measures Affecting Trade in Commercial Vessels" (note: bilateral consultations were held in December 2018) (see Chapter 3, Section 3, 3 (3) regarding a case concerning the import restrictions on Japanese food products by the ROK and A (F) above regarding a case concerning the application of Japan's export control measures).

C Situation in the ROK

(A) Domestic Affairs

The Moon Jae-in administration entered its third year in May 2019, and cabinet reshuffles were conducted in March and August. In the August reshuffle, President Moon nominated Mr. Cho Kuk, his close associate and Senior Secretary to the President for Civil Affairs in charge of prosecution at the Blue House, as Minister of Justice. Shortly after his nomination, however, alleged controversies emerged concerning Cho's family, relatives, and others. Although President Moon appointed

Mr. Cho as Minister of Justice on September 9, Mr. Cho resigned from his post on October 14 amidst further intensification of domestic backlash.

In December, a new Prime Minister was nominated. On January 14, 2020, Mr. Lee Nak-yeon, who served as Prime Minister since the establishment of the Moon administration, resigned, and Mr. Chung Sye-kyun, former Speaker of the National Assembly, was appointed as Prime Minister.

The Government of the ROK has carried out prosecution reforms, which President Moon pledged during his presidential campaign. On December 30, the National Assembly passed the bill to establish the Corruption Investigation Office For High-ranking Officials, an independent body that investigates improper acts by high-ranking officials, and on January 13, 2020, passed the bills for revising the Criminal Procedure Act and the Supreme Prosecutors' Office Act for adjusting the investigative rights of the prosecution and police.

(B) Foreign Policy

In 2019, the ROK continued to engage in diplomacy with top priority given to the issues of North Korea. On June 30, during his visit to the ROK, U.S. President Trump visited Panmunjom and met with Chairman Kim of North Korea. Ahead of this meeting, President Trump and Chairman Kim held informal talks with President Moon also present. (see C (B) regarding inter-Korean relations).

With regard to the relations with the U.S., the series of the U.S.-ROK joint military exercises "Key Resolve," "Foal Eagle," and "Freedom Guardian" were concluded in March based on the progress of the dialogues with North Korea. (Of these exercises, "Key Resolve" and "Freedom Guardian" were conducted as command post exercises.) The U.S. Government has also negotiated with the Government of the ROK on Host Nation Support (HNS) in line with the Trump administration's policy of requesting HNS increases for U.S. forces stationed in various countries. In February, the U.S. and the ROK reached a tentative agreement

regarding the 10th Special Measures Agreement (SMA) which sets the ROK's cost at approximately 1.0389 trillion won (approximately 920 million US dollars) for the year 2019. Since then, the two countries have held negotiations on the HNS amounts for 2020 and beyond.

In 2019, President Moon Jae-in visited Brunei (in March), Malaysia (in March), Cambodia (in March), the U.S. (in April), Turkmenistan (in April), Uzbekistan (in April), Kazakhstan (in April), Finland (in June), Norway (in June), Sweden (in June), Japan (in June for the G20 Osaka Summit), Thailand (in September), Myanmar (in September), Laos (in September), the U.S. (in September for the UN General Assembly), Thailand (in November for the ASEAN-related Summit Meetings), and China (in December for the Japan-China-ROK Trilateral Summit Meeting).

(C) Economy

In 2019, the GDP growth rate was 2.0%, showing a decrease from 2.7% of the previous year. Due to factors such as falling semiconductor exports, exports stagnated in general, recording continuous decreases from December 2018 to December 2019 compared to the same period of the previous year. The total amount of exports decreased 10.4% year-on-year to approximately 542.2 billion US dollars, while the total amount of imports decreased 6.0% year-on-year to approximately 503.3 billion US dollars, resulting in a trade surplus of approximately 38.9 billion US dollars (figures published by the Ministry of Trade, Industry and Energy).

As for domestic economic policies, the Moon Jae-in administration inaugurated in May 2017 has stressed the importance of "income-led growth" and "an employment-centered economy" revolving around people. It has significantly increased the minimum wage for two consecutive years to 7,530 won in 2018 (up 16.4% year-on-year) and to 8,350 won in 2019 (up 10.9% year-on-year). However, such sharp rises drew growing criticisms for causing job losses and more. In July 2019,

the administration announced that the minimum wage in 2020 would be 8,590 won (up 2.9% year-on-year). In March 2018, the Labor Standards Act was revised, shortening maximum weekly work hours from 68 hours to 52 hours from July 2018 (to be applied to companies with five to 299 employees; excludes companies with fewer than five employees). In recent years, the ROK has had a rapidly declining birthrate and aging population. In 2018, the total fertility rate was 0.98 children per woman, recording less than 1.00 for the first time, making the declining birthrate issue all the more serious.

3 China / Mongolia, etc.

(1) China

A The Situation in China

(A) Domestic affairs

The second session of the 13th National People's Congress was held in March. Amid the recent economic slowdown in China and the effects of trade friction between the U.S. and China, Premier Li Keqiang spoke about "complicated and challenging domestic and international environment," "new downward pressure on the economy," and "China-U.S. economic and trade frictions having an adverse effect on the production and business operations of some companies and on market expectations" in the Government Work Report. He announced a proactive fiscal policy and a prudent monetary policy including a GDP growth target for 2019 of 6.0%-6.5% (growth in 2018 was 6.7% with a target of around 6.5%), large-scale tax cuts, reduction of corporate contributions to social insurance, the expansion of local government bonds, and the expansion of investment in infrastructure. He also announced to work faster to make China strong in manufacturing, advance economic reforms to implement a system of punitive compensation for intellectual property infringements, further implement the military-civilian integration strategy, speed up efforts to make innovations in defense related

science and technology, and increase the national defense budget by 7.5% year-on-year.

A military parade was held on October 1 to commemorate the 70th anniversary of the founding of the People's Republic of China. It was the largest military parade under the Xi Jinping administration, with the participation of around 15,000 soldiers. In his speech, President Xi Jinping stated that no force can shake the status of the great nation of China and continued efforts should be made to achieve the Chinese Dream of national rejuvenation.

The fourth plenary session of the 19th CPC (Communist Party of China) Central Committee was held later that month from the 28th to the 31st. The session emphasized “upholding the centralized and unified leadership of the CPC” as “notable strengths of China’s state and governance system” and also set the policy of upholding and maintaining systems in various fields, such as guidance from the CPC, law-based governance, administration, the economy, culture, livelihood, security, the environment, military, “one country, two systems” and the unification of China, diplomacy, and oversight of the Party and the state (anti-corruption).

Large-scale protests occurred in Hong Kong when the local government submitted an amendment to the extradition bill to the Legislative Council in March that would broaden its application to countries and regions including mainland China. In June, organizers announced that a protest of two million people took place. Even after the Hong Kong Government withdrew the bill, the protesters issued five demands that included universal suffrage, and continued to clash with the police.

In Macau, a ceremony was held on December 20 to mark the 20th anniversary of the handover of Macau and to inaugurate its Chief Executive, Ho Iat Seng. President Xi Jinping attended the ceremony and lauded the success of “one country, two systems” in Macau in his speech.

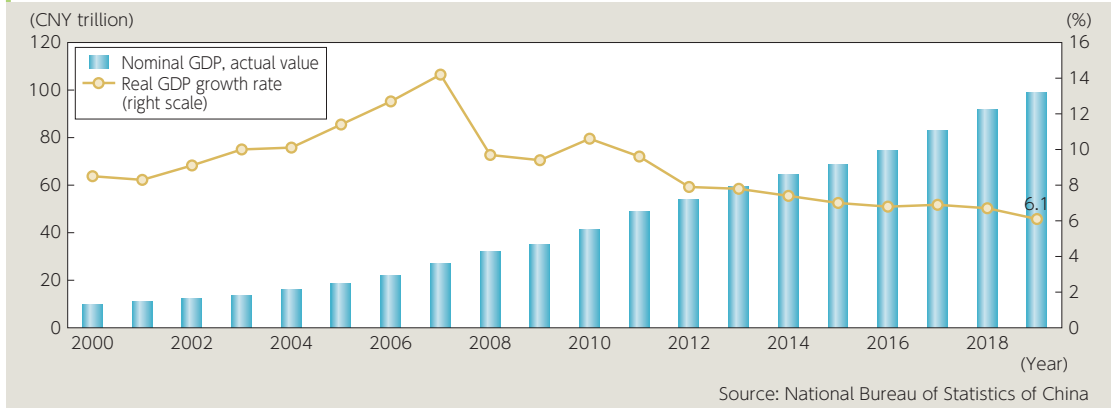
With respect to the social situation, Chinese

authorities continue to severely clamp down on human rights activists and intellectuals, as well as ethnic minorities such as the Uyghurs. There is a growing concern in the international community about the state of human rights in China.

(B) Economy

The real GDP growth rate in 2019 increased 6.1% year-on-year, and total trade value decreased 1.0% year-on-year, which shows a slowdown in the recovery of China’s economy. Due to the effects of managing issues of excess production capacity and excess debt, and trade and investment between the U.S. and China, the slowing of growth in domestic demand (consumption, fixed asset investment) has become visible. The impact of trade and investment issues between the U.S. and China can also be seen in financial affairs, and stocks on the Shanghai Stock market rose 24% compared to the start of the year on the announcement of an agreement in “Phase One” talks between China and the U.S. in December. Regarding the foreign exchange rate, the U.S. designated China as a “currency manipulator” in response to the yuan falling to seven yuan per dollar in August. Following additional U.S.-China trade tariffs, the yuan fell against the US dollar, dropping to 7.1 yuan to the US dollar, but with the announcement of the agreement in “Phase One” talks between China and the U.S. in December, the yuan rose to 6.9 yuan to the US dollar (at the beginning of the year it had been 6.7 yuan to the US dollar). As a measure to support the economy, the Chinese Government moved up its announcement to local governments of the limit of 1 trillion yuan for the issuance of special local government bonds for 2020 (47% of the new issuance limit for 2019), and called for early investment in concrete investment projects such as infrastructure. Regarding external economic policy, China advanced the deregulation of its financial industry with measures to open the domestic market, such as passing the Foreign Investment Law and announcing the acceleration of the removal of

Development of China's GDP



restrictions on foreign ownership of securities companies and life insurance companies by 2020.

The Central Economic Work Conference held in December offered a harsher view of the current economic situation than last year, and gave top priority to 2020, the target year for promoting the comprehensive completion of a moderately prosperous society and the final year of the 13th Five Year Plan. In addition, the Conference adhered to the theme of stability couching it in the basic policy of realizing the “six stabilities” (employment, finance, foreign trade, foreign investment, domestic investment, and market expectations), escaping poverty, and promoting high-quality development.

Due to the impact of the spread of the novel coronavirus disease, consumption, production, and investment from January-February 2020 saw negative growth for the first time since the statistics were released. Business sentiment in February was the worst for both manufacturing and non-manufacturing firms. The unemployment rate was 6.2%, the worst since the data had been made available, showing the magnitude of the impact of the novel coronavirus pandemic on the Chinese economy.

In order to manage the party and administration stably, it is necessary to ensure constant economic growth while handling all domestic and external issues, and it is worth paying attention to the trends of China's future economic and

financial policies.

(C) Foreign Policy

In 2019, China invited leaders of various countries to events, such as the Second Belt and Road Forum for International Cooperation (April) and the 2nd China International Import Expo (November) where it announced policies on high quality Belt and Road construction and the further opening of markets.

Tensions in U.S.-China relations increased in May as both sides urged additional tariff measures. During the G20 Osaka Summit in June, the U.S. and China held a summit meeting and agreed to continue the negotiations. Although the negotiations subsequently faced difficulties, and new additional tariff measures were implemented in September, both the U.S. and China announced that they reached a “Phase One Agreement” on December 13, and worked toward signing the agreement. The U.S. and China are the first and second largest economies in the world, respectively. Establishing stable economic relations between them is directly linked to sustainable economic growth not only in Japan but also in the world as a whole. Japan will continue monitoring future developments.

(D) Military Affairs and Security

China has been increasing its defense expenditures about 51-fold over the past 30 years, but

the breakdown of the budget and the intention behind the increase have not been disclosed sufficiently. Under such circumstances, China is extensively and rapidly enhancing and modernizing its military power centered on its nuclear and missile capabilities and naval and air forces. In doing so, it is placing importance on ensuring its superiority in new domains of outer space, cyberspace, and electromagnetic waves. China's expansion of military capability lacking transparency, unilateral actions to change the status quo in the East China Sea and South China Sea, and the expansion and increased vigor of its military activities are common concerns in the region and international community. China has been demonstrating a proactive stance in continuing to take an active part in United Nations PKOs as well as providing various kinds of humanitarian aid and disaster support, etc.

At the 19th Party Congress (2017), President Xi Jinping stated that China would transform its armed forces into a world-class military by the middle of this century. In recent years, China has grown to have a great influence on the international community, not only politically and economically, but also militarily. To dispel any fears of China, there is a pressing need for China to increase transparency regarding its national defense policies and military power through specific and accurate disclosure of information. Japan intends to further promote mutual trust in Japan-China relations through dialogue and people-to-people exchanges, including the Japan-China Security Dialogue, while cooperating with other countries. Japan also intends to urge China to improve its transparency and encourage its positive involvement in the international order based on the rule of law.

B Japan-China Relationship

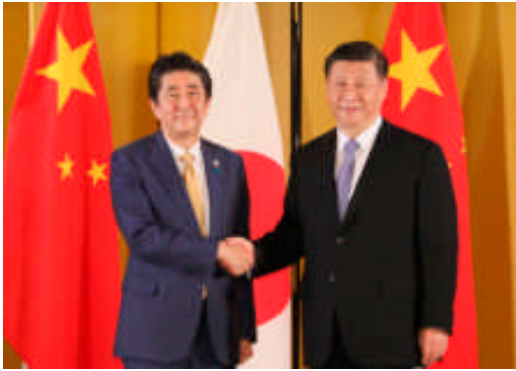
(A) Bilateral Relations: General

The relationship with China, the neighboring country across the East China Sea, is one of Japan's most important bilateral relationships, and the

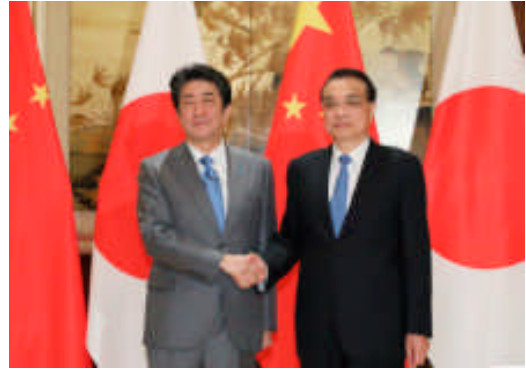
two countries have close economic relations, as well as people-to-people and cultural exchanges. Carrying on from 2018, 2019 saw active high-level dialogues including Summit Meetings and Foreign Ministers' Meetings, and was a year that took relations to a new stage toward "a new era of Japan-China relations."

In 2019, reciprocal visits were realized by Prime Minister Abe and President Xi Jinping. In June, President Xi Jinping attended the G20 Osaka Summit, visiting Japan as president for the first time in about nine years. At the Japan-China Summit Meeting, the two leaders confirmed that Japan-China relations have returned to a normal track through reciprocal visits by the leaders in 2018, and that there have been new developments in the relations. They also shared their determination to carve out "a new era of Japan-China relations." The two leaders shared the view on enhancing reciprocal visits and dialogues at a high level, including at the summit level, in order to have constant and close communications as eternal neighboring countries. As an important next step to this end, Prime Minister Abe, on behalf of the Government of Japan, invited President Xi to pay a state visit to Japan in the spring of 2020, and President Xi accepted the invitation in principle.

Prime Minister Abe visited China to attend the Eighth Japan-China-ROK Trilateral Summit in December. During his summit meeting with President Xi Jinping, the two leaders shared the view on continuing to work together to ensure a smooth and meaningful state visit to Japan by President Xi next spring. Prime Minister Abe stated that Japan and China together have a significant responsibility toward peace, stability, and prosperity of the region and the world, and expressed his desire to send out a clear message domestically and internationally of their intention to fulfill this responsibility. In addition, Prime Minister Abe wished that the two countries can demonstrate their determination to continue "ceaseless exchanges," based on the need to strengthen and firmly establish reciprocal visits and dialogues at



Japan-China Summit Meeting with President Xi Jinping
(June 27, Osaka; Photo: Cabinet Public Relations Office)



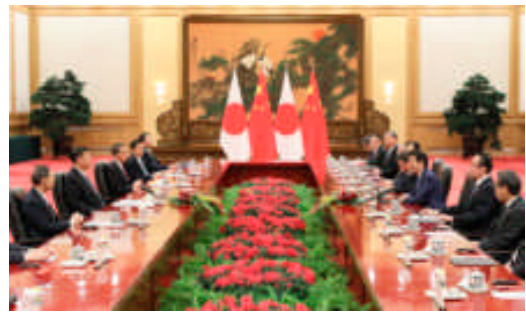
Japan-China Summit Meeting with Premier Li Keqiang
(December 24, Chengdu, China;
Photo: Cabinet Public Relations Office)

the high level, ensuring that the current momentum for improving and deepening Japan-China relations is not temporary. During the Japan-China Summit Meeting with Premier Li Keqiang of the State Council, the premier reflected on how relations have returned to a normal track through reciprocal visits by the leaders in 2018, and shared his determination to carve out “a new era of Japan-China relations” in advance of President Xi Jinping’s visit to Japan in the spring of 2020.

Additionally, a Japan-China Summit Meeting was held in November with Premier of the State Council Li Keqiang during the ASEAN-related Summit Meetings.

In March 2020, regarding the state visit of President Xi Jinping, Japan and China shared the view that top priority must be given to preventing the spread of the novel coronavirus disease, and that both sides need to prepare adequately to ensure President Xi’s state visit is fully successful. They decided to reschedule the state visit to a time that is convenient for both.

Reciprocal visits by the foreign ministers of Japan and China were also held in 2019 as in the previous year. In April, Foreign Minister Kono visited China. Both sides exchanged views on bilateral relations, and regional and international situations, and shared the view to cooperate with each other ahead of the G20 Osaka Summit in June with the shared understanding that 2019 will be an important year for the development of bilateral relations. In November, State Councilor



Japan-China Summit Meeting with President Xi Jinping
(December 23, Beijing, China;
Photo: Cabinet Public Relations Office)

and Foreign Minister Wang Yi visited Japan to attend the G20 Aichi-Nagoya Foreign Ministers’ Meeting, and held a foreign ministers’ meeting with Foreign Minister Motegi. At the meeting, Japan and China signed the Agreement Between the Government of Japan and the Government of the People’s Republic of China on Cooperation in Animal Health and Quarantine (Japan-China Agreement on Animal Health and Quarantine), which served as an important step for lifting the ban on Japanese beef and other exports to China. In addition, regarding dialogues between diplomatic authorities, the two sides shared the view on preparing the annual plan for exchanges and cooperation in 2020 and on continuing to hold further dialogues. The First Japan-China High-Level People-to-People and Cultural Exchange Dialogue (which was agreed to be established within the year at the June Japan-China Summit Meeting), was also held in November on the occasion of State Councilor and Foreign Minister

Wang Yi's visit to Japan. Furthermore, continuous dialogues were held between the foreign ministers of Japan and China by seizing various opportunities including in June (the Japan-China foreign ministers' telephone call), August (the ASEAN-related Foreign Ministers' Meetings and the Ninth Japan-China-ROK Trilateral Foreign Ministers' Meeting), September (the United Nations General Assembly), and December (Prime Minister Abe's visit to China).

China celebrated the 70th anniversary of its founding on October 1, 2019. A video message from Prime Minister Abe was played at a reception for the 70th anniversary of the founding of the People's Republic of China hosted by the Chinese Embassy in Japan, and it was subsequently reported on by China Central Television (CCTV).

Vice President of China Wang Qishan attended the Ceremony of the Enthronement of His Majesty the Emperor on October 22 with the start of a new year in the Reiwa era. He paid a courtesy call to Prime Minister Abe and met with Deputy Prime Minister and Finance Minister Aso Taro.

Also, Parliamentary Vice-Minister for Foreign Affairs Suzuki Norikazu visited China in January for the Project to Support the Overseas Promotion of Regional Charms in Beijing hosted by the Ministry of Foreign Affairs. In May, Member of the Central Politburo of the Communist Party of China Yang Jiechi visited Japan where he paid a courtesy call to Prime Minister Abe and met with Foreign Minister Kono and Secretary General of the National Security Secretariat Yachi Shotaro. Vice Minister of Foreign Affairs Le Yucheng visited Japan in August, and held strategic talks with Vice-Minister for Foreign Affairs Akiba for the first time since June 2012. Also in August, State Minister for Foreign Affairs Abe Toshiko visited China (Guizhou province and Beijing). State Minister for Foreign Affairs Wakamiya Kenji visited China (Shanghai and Beijing) in November to attend a World Trade Organization (WTO) informal ministerial meeting. In December, State



Japan-China Foreign Ministers' Meeting
(December 25, Beijing, China)

Minister for Foreign Affairs Suzuki Keisuke met with Communist Party Secretary of Shandong Liu Jiayi during his visit to Japan. Secretary General of National Security Secretariat Kitamura Shigeru visited China in December and held talks with Member of the Central Politburo of the Communist Party of China Yang Jiechi. Besides this, between the diplomatic authorities of both countries, based on the 2019 Memorandum on Drafting the Annual Plan on Exchanges and Cooperation, practical dialogue and trust-building were steadily advanced in each field, including the Japan-China Security Dialogue (February), the Japan-China Foreign Officials Meeting (February), the Japan-China High-Level Consultation on Maritime Affairs (May), the Japan-China Disarmament and Non-proliferation Meeting (May), reciprocal visits by groups of mid-level officials (August), the Japan-China Policy Dialogue on the Mekong Region (September), and the Japan-China Policy Planning Consultations (December). Active exchanges were also conducted between the legislative bodies and political parties of Japan and China as in the previous year.

Regarding the outbreak of the novel coronavirus disease that started spreading in China at the end of 2019, Japan and China worked together closely from the perspective of preventing the spread of the virus in China and protecting Japanese nationals, which included a Japan-China Foreign Ministers' telephone call on January 26, 2020, a Japan-China Foreign Ministers' Meeting during

the Munich Security Conference on February 15, a Japan-China Foreign Ministers' telephone call on February 26, and Member of the Central Politburo of the Communist Party of China Yang Jiechi's visit to Japan on February 27 in which he affirmed cooperation to help stop the spread of the disease. In addition, based on the Japan-China Foreign Ministers' telephone call on January 26, a total of five charter planes were sent to Wuhan Airport to evacuate Japanese nationals in Hubei province who wanted to return to Japan. Japan also delivered approximately 90,000 pairs of gloves, 41,000 sets of goggles, 40,000 protective suits, and 2,000 disinfection products to China, carrying them on board these five flights. China expressed its gratitude for these efforts.

Japan and China share significant responsibilities for the peace and prosperity of the region and the world. The international community strongly demands fulfilling these responsibilities given current regional circumstances. In addition to reciprocal visits by its leaders, Japan will build a mature Japan-China relationship in the new era by deepening and expanding exchanges in various fields.

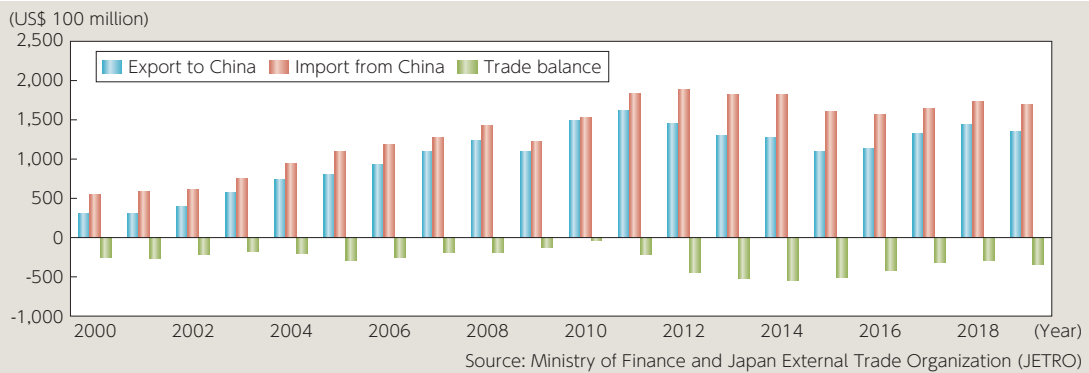
(B) Japan-China Economic Relations

Economic relations between Japan and China, including trade and investment, are close and interdependent. The total trade between Japan and China (excluding Hong Kong) amounted to about 303.9 billion US dollars in 2019 (4.3% decrease year-on-year), and China has been the largest trading partner for Japan for 13 consecutive years. Moreover, according to Chinese statistics, Japan's direct investment in China increased to about 3.81 billion US dollars (16.5% increase year-on-year, as estimated from officially published information on investment) in 2018. Figures for 2019 have yet to be announced as of March 2020. Japan ranks fourth in terms of the amount of direct investment to China (Singapore ranks first, the ROK second, and the UK third).

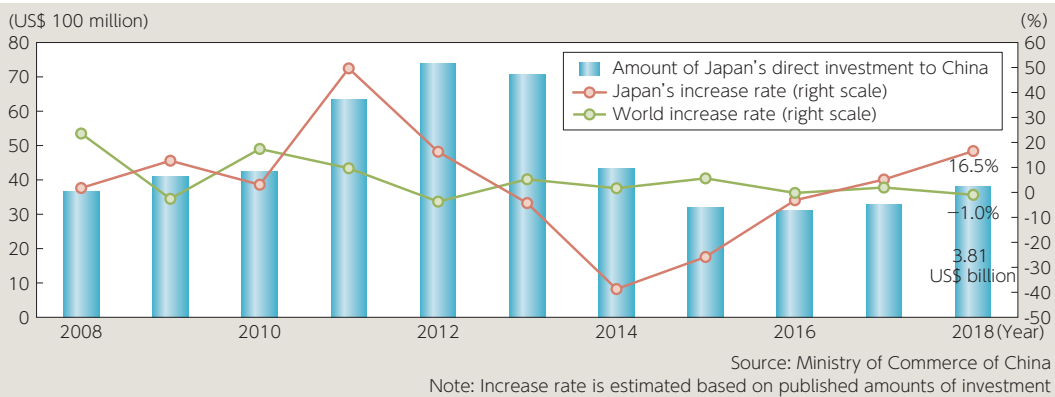
High-level visits were frequent and cooperative

relations were also strengthened in the economic field in 2019. The First Japan-China Innovation Cooperation Dialogue (vice-ministerial level) was held in April. Japan and China introduced their respective innovation policies to each other, exchanged opinions on various exchanges and cooperation, and shared recognition on the importance of efforts in the field of intellectual property in both Japan and China to develop the environment for Japan-China cooperation in innovation. They explained their respective policies involving the field of intellectual property, and exchanged views on a variety of challenges, including: protection of trade secrets, elimination of concerns over forced technology transfer (e.g., recent trends surrounding the Regulations on Technology Import and Export Administration (TIER) and the Foreign Investment Law), and measures against pirated products. The Japan-China Economic Partnership Meeting (vice-ministerial level) was also held that month. At the meeting, Japan raised the issue of promoting trade and investment in accordance with international rules and practices to the Chinese side, in addition to improving the business environment in China, expanding exports of Japanese food, strengthening the protection of intellectual property protection, and strengthening measures against counterfeit products and pirated products. At the Fifth Japan-China Innovation Cooperation Dialogue (ministerial level) held also in April, a wide range of views were exchanged regarding topics such as macro-economic policy, bilateral economic cooperation and exchanges, key cooperation under the Japan-China High-Level Economic Dialogue framework (Japan-China business cooperation in third countries and Japan-China Innovation Cooperation Dialogue), and regional and world economies and responses to global issues. At the Japan-China Summit Meeting that took place in June during President Xi Jinping's visit to Japan to attend the G20 Osaka Summit, the two leaders shared the view that the two countries would enhance mutually beneficial working-level cooperation based

Change in Japan's Value of Trade with China



Change in amount of Japan's direct investment to China



on international standards in areas that have potential, such as third country markets, innovations, protection of intellectual property, trade and investment including foods and agricultural products, finance and securities, medical and nursing care, energy conservation and the environment, and tourism exchanges, as well as further develop a free and fair trading system. From the perspective of further deepening Japan-China economic relations and the sustainable growth of the Chinese economy, Prime Minister Abe requested the opening up of the Chinese market and effective measures to establish a fair and equitable business environment, including the enhancement of intellectual property protection as well as the correction of forced technology transfer and market-distorting industrial subsidies. Furthermore, the Agreement on Social Security between the Government of Japan and the Government of the People's Republic of China (Japan-China

Agreement on Social Security) came into effect in September. In previous years, employees, such as Japanese and Chinese corporate expatriates, temporarily dispatched from their companies to work in either Japan and China, have been obligated to join the pension systems in both Japan and China, and this posed the problem of their having to pay pension premiums twice. With this Agreement coming into effect, in principle, temporarily dispatched employees sent abroad for a period of five years or less will only have to pay into the pension system of their country of origin.

During the Japan-China-ROK Trilateral Summit in December, Japan held summit meetings with President Xi Jinping and Premier Li Keqiang of the State Council. The two sides shared the view on further strengthening cooperation in a variety of areas, including economic and practical cooperation between Japan and China. Prime Minister Abe expressed his desire to President Xi for both

countries to make efforts to realize an environment for equitable competition and develop a free and fair trading system. Prime Minister Abe expressed his expectations to Premier Li for robust efforts toward enhancing the business environment, including by improving the implementation of legal systems, further opening up the market, and strengthening Japan-China financial cooperation.

There were active economic exchanges also in the private sector. The Japan-China Business Leader and Former High-Level Government Official Dialogue (Japan-China CEO Summit) was held in Tokyo in July. Also, during the visit to China by a mission from the Japan-China Economic Association, Keidanren (Japan Business Federation) and Japan Chamber of Commerce and Industry in September, views were exchanged between the executives of major companies in Japan and China, and meetings were held with officials of the Government of China including Premier Li Keqiang.

(C) Promotion of Mutual Understanding Between Japanese and Chinese People (Current situation of people-to-people exchanges between Japan and China)

The number of Chinese visitors to Japan has continued to increase since 2013. The number of visitors in 2019 reached around 9.59 million people (estimated by the Japan National Tourism Organization (JNTO)), which was a record high. There was a further shift from group tourism to individual tourism, and there was also an increase in the number of repeat visitors as a result of relaxed visa requirements. It is thought that this is leading to diversification of the destinations and needs of visitors to Japan. In addition, with various factors such as the increase in the supply of seats due to new services and increased flights, and the effect of further relaxed visa requirements that started in January 2019, the number of people making mutual visits is expected to increase in the long run.

(Japan-China youth exchange, etc.)

During Prime Minister Abe's visit to China in October 2018, both he and Premier Li Keqiang shared the view that it is necessary to further expand two-way people-to-people exchanges, particularly exchanges between the young generation. The foreign ministers of Japan and China signed the "Memorandum on Enhancing Youth Exchange between the Government of Japan and the Government of the People's Republic of China," and 2019 was designated as "Japan-China Youth Exchange Promotion Year." The leaders shared the view on implementing young exchanges on a scale of 30,000 people over the following five years (see the Column on page 53).

In 2019, through JENESYS2019, the people-to-people exchange project including young people, about 460 Chinese people, including high school students and young adults, were invited to Japan. Young Chinese people who visited Japan experienced various cultures, lifestyles and the charms of Japan through school exchanges and tours of companies, while deepening mutual understanding with Japanese youth. They also actively exchanged opinions about what the future of Japan-China relations should be. Furthermore, under the Japan-China International Solidarity Project on Afforestation and Tree-Planting, about 1,400 people were invited to Japan for promoting understanding of Japan based on the theme of the "Three KAKEHASHI (Bridge)" Projects ((1)



Second Japan-China 500-University Student Delegation
(November 29, Tokyo; Photo: Japan-China Friendship Center)

Column

2019, the “Japan-China Youth Exchange Promotion Year”

During his visit to China in October 2018, Prime Minister Abe and Premier of the State Council of China Li Keqiang designated 2019 as the “Japan-China Youth Exchange Promotion Year” and concurred on promoting exchange between youths of the two countries in various fields in view of the importance of the role that youth exchange plays in bilateral relations. Consequently, events related to the “Japan-China Youth Exchange Promotion Year” were held between January 1 and December 31, 2019. There were about 240 accredited events, and the number of participants for the events held in both countries reached approximately 310,000. Many youths from the two countries, who will bear the future of Japan-China relations on their shoulders, deepened mutual understanding through exchanges in areas such as sports and culture, and the events produced significant outcomes. This column features four of the events in the “Japan-China Youth Exchange Promotion Year.”

1. Former head coach of the Japan national football team Mr. Nishino Akira's football exchange with youths from China

From January 11 to 13, former head coach of the Japan national football team Mr. Nishino Akira visited Beijing and participated in an exchange event with junior youth players from Beijing Sinobo Guoan Football Club and students from Tsinghua University. This event was hosted by MOFA as a kickoff event for the “Japan-China Youth Exchange Promotion Year.” Football is a popular sport in China too, and the Chinese players and students were inspired by the exchange with Mr. Nishino, the then-head coach who led the Japanese team in the 2018 FIFA World Cup in Russia. The exchange event was also widely covered by the local press.



Exchange between Mr. Nishino Akira, former head coach of the Japan national football team and junior youth players from China (January 11, Beijing)

2. Opening ceremony for the “Japan-China Youth Exchange Promotion Year”

On April 14, the opening ceremony for the “Japan-China Youth Exchange Promotion Year” was held at the Diaoyutai State Guesthouse in Beijing, China in the presence of Foreign Minister Kono and State Councilor and Foreign Minister Wang Yi. On the day of the event, approximately 250 university students from Japan and China, including Peking University, Tsinghua University, and Renmin University of China came together for the opening ceremony, and affirmed the importance of mutual trust and mutual understanding through direct exchanges.



Opening ceremony for the “Japan-China Youth Exchange Promotion Year” (April 14, Beijing)

3. Convention of the “Second Japan-China 500-University Student Exchange”

The “Second Japan-China 500-University Student Exchange,” organized by the Japan-China Friendship Center, was held on November 29. This was a large-scale exchange event that brought together a delegation of 500 university students from Japan and China who represent the next generation (300 Chinese university students and 200 Japanese university students), and was the second time the event was held after its commencement last year. In addition to government officials from both countries, Mr. Tachibana Kenchi, a performer with the music group EXILE, and Ms. Liu Jingluo



The “Second Japan-China 500-University Student Exchange” (November 29, Tokyo; Photo: Japan-China Friendship Center)

(Seira Ryu), a voice actor and manga artist who is bilingual in Japanese and Chinese, attended the student exchange event as special guests and livened it up. University students from Japan and China also put on song and dance performances, adding excitement to the youthful exchange through pop culture.

4. Convention of the “China-Japan Youth Friendly Exchange Conference”

On December 23, the Chinese People's Association for Friendship with Foreign Countries and the China-Japan Friendship Association co-hosted the “China-Japan Youth Friendly Exchange Conference” held at the Great Hall of the People in Beijing. Foreign Minister Motegi and State Councilor and Foreign Minister Wang Yi relayed their messages, and about 1,000 youths from both countries turned up at the venue for the event. Representatives of the participants presented their thoughts and impressions on their visits to the other country, and promoted the importance of mutual understanding.

Through the projects implemented under the “Japan-China Youth Exchange Promotion Year,” youths from the two countries strengthened their bonds. With their hearts full of the ideas and hopes that have sprouted through the mutual exchange, they are expected to play an active role in the future to form a new bridge between Japan and China.

Regional exchanges (2) Youth exchanges, and (3) Culture and sports exchanges).

(First Japan-China High-Level People-to-People and Cultural Exchange Dialogue)

At the Japan-China Summit Meeting with President Xi Jinping held during the G20 Osaka Summit in June, both leaders agreed to launch a high-level dialogue framework for people-to-people and cultural exchanges. Based on this agreement, Foreign Minister Motegi (Japanese side Chair) and State Councilor and Foreign Minister Wang Yi (Chinese side Chair) held the First Japan-China High-Level People-to-People and Cultural Exchange Dialogue in Tokyo in November. Both ministers discussed further strengthening exchanges in a variety of fields including youth, culture, sports, women, tourism, contents (such as video), and media.

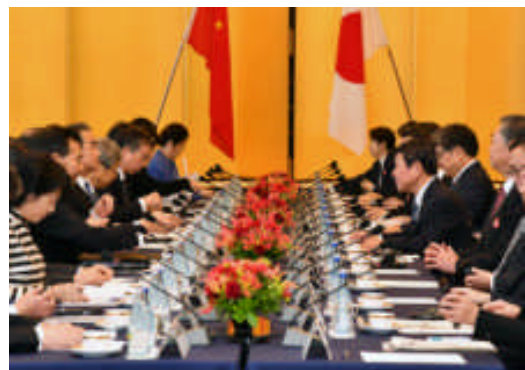
The two sides shared the view on further promoting people-to-people and cultural exchanges, including sports exchanges, by making next year the “Japan-China culture and sports Exchange Promotion Year.”

In December, the Ministry of Foreign Affairs chose idol group Arashi to conduct public relations work as goodwill ambassadors for sports and cultural exchanges with China to promote the “Japan-China culture and sports Exchange

Promotion Year” in 2020.



First Japan-China High-Level People-to-People and Cultural Exchange Dialogue (from left: Vice Minister of Culture and Tourism Zhang Xu, Minister of Education Chen Baosheng, State Councilor and Foreign Minister Wang Yi, Minister for Foreign Affairs Motegi, and Minister of Education, Culture, Sports, Science and Technology Hagiuda) (November 25, Tokyo)



First Japan-China High-Level People-to-People and Cultural Exchange Dialogue (November 25, Tokyo)

(D) Specific Pending Issues

(Situation surrounding the East China Sea)

In the East China Sea, Chinese Government-owned vessels continue to intrude into the Japanese territorial sea around the Senkaku Islands. Also, the Chinese military has been rapidly expanding and increasing its activities in quality and quantity at sea and in the airspace over the East China Sea. Furthermore, China continues unilateral development of resources in China's side of the geographical equidistance line in the maritime area pending delimitation between Japan and China, and has repeatedly carried out maritime researches without Japan's consent.

The Senkaku Islands are indisputably an inherent part of the territory of Japan in light of historical facts and based upon international law. Indeed, the Senkaku Islands are under the valid control of Japan. Thus, there exists no issue of territorial sovereignty to be resolved concerning the Senkaku Islands. From 1895, when Japan obtained territorial sovereignty over the Senkaku Islands by lawful means under international law, until the 1970s, when the islands became the focus of attention after it was suggested that there might be oil reserves in the East China Sea, China had not raised any objections to Japan's sovereignty over the Senkaku Islands. Moreover, China has never explained why it had not expressed objections until then.

Chinese Government-owned vessels continue to intrude into the Japanese territorial sea, recording 32 incidents during 2019 (the numbers were 19 in 2018, and 29 in 2017). In response to such unilateral attempts by China to change the status quo, the Government of Japan has repeatedly lodged strong protests and requested the withdrawal of Chinese vessels through diplomatic routes. With the determination to defend Japan's territory as well as territorial sea and airspace, Japan will continue to take a calm and resolute approach to the situation.

In addition, Chinese naval vessels and aircraft have also been accelerating their activities in the

sea and airspace around Japan. In January 2018, a submarine and ship navigated into Japan's contiguous zone around the Senkaku Islands. We expressed serious concerns, issued a serious protest, and strongly requested that it would not happen again, through diplomatic routes. Furthermore, aircraft activities also continue to be active, and the number of times the Air Self-Defense Force had to scramble jets in response to Chinese military aircraft since autumn 2012 has remained high. In response to these recent activities by the Chinese military, Japan has been raising the issues in an appropriate manner through diplomatic routes.

Furthermore, China has been continuing its unilateral activities to develop natural resources while the Exclusive Economic Zone (EEZ) and the continental shelf between Japan and China in the East China Sea remain pending delimitation. The Government of Japan has confirmed 12 new structures built between June 2013 and May 2016, making a total of 16 structures including those confirmed before then, on the Chinese side of the geographical equidistance line. Such unilateral development activities are extremely regrettable, and every time such moves by China are detected, Japan has strongly requested China to cease its unilateral development and to immediately resume negotiations on the implementation of the "2008 Agreement" regarding the cooperation between Japan and China on the development of natural resources in the East China Sea. At the summit meeting between President Xi Jinping and Prime Minister Abe in June 2019, the two leaders shared the view of promoting and implementing the "2008 Agreement" regarding resource development in order to achieve the goal of making the East China Sea a "Sea of Peace, Cooperation and Friendship."

Moreover, in recent years numerous activities by China to carry out surveys in the waters around Japan, including the East China Sea, without obtaining Japan's approval, or surveys that differ from those agreed upon have been confirmed.



Chinese maritime structures confirmed to have been built near the geographical equidistant line between Japan and China (Photo: Ministry of Defense)
See the link below for details:
https://www.mofa.go.jp/a_o/c_m1/page3e_000356.html



In order to deal with these concerns appropriately, both Japan and China have been promoting dialogue and exchanges between the authorities concerned. During the visit to Japan by Premier Li Keqiang in May 2018, the discussions on the Maritime and Aerial Communication Mechanism between the defense authorities of Japan and China had been concluded after 10 years of consultations, and in June the Mechanism began to be utilized. This is highly significant for promoting mutual understanding between both countries and avoiding and preventing accidental collisions. Also, during Prime Minister Abe's visit to China in October 2018, the Japan-China Maritime Search and Rescue (SAR) Agreement was signed. The Agreement creates a legal framework regarding Japan-China cooperation for the maritime search and rescue field, and is expected to enable smoother and more efficient search and rescue activities. In addition, the Japan-China High-Level

Consultation on Maritime Affairs was held on May 2019 in Otaru, Hokkaido.

As Prime Minister Abe has repeatedly stated at Japan-China Summit Meetings, true improvement in Japan-China relations cannot be achieved without stability in the East China Sea. It is highly meaningful from the perspective of building trust and bolstering cooperation for diplomats from both countries to meet in person and exchange opinions frankly, such as at the Japan-China High-Level Consultation on Maritime Affairs or other discussions between related authorities of both countries. The Government of Japan will strive to improve relations with China, while asserting Japan's position on individual issues through steady dialogue and continued bolstering of communication, in an effort to turn the East China Sea into the "Sea of Peace, Cooperation and Friendship."

(Abandoned chemical weapons issue)

The Government of Japan, in accordance with the Chemical Weapons Convention (CWC), has been working on the destruction of chemical weapons abandoned by Japan in China. In 2019, on-site investigations, and excavation and recovery operations were carried out in various locations across China. The destruction works in Haerbaling District in Dunhua, Jilin Province and also in Harbin, Heilongjiang Province have been carried out. In total, about 58,000 abandoned chemical weapons have been destroyed as of December.

(Cases of Detainment of Japanese Nationals)

In regard to cases of detainment of Japanese nationals, the Government of Japan has been working toward their early release at various occasions between Japan and China, including summit meetings. One Japanese national detained in September 2019 was released in November. Since then, the Government of Japan has strongly requested at all levels and at every occasion to the Government of China, including at talks between

Prime Minister Abe and President Xi Jinping in December 2019, to ensure transparency in executing the law and the judicial process, properly safeguard the rights of Japanese nationals, ensure impartial justice, and provide humane treatment.

(Japanese food import restrictions issue)

Regarding the import restrictions placed on food and agricultural products from Japan by the Government of China, Japan has taken every opportunity to urge the Chinese side to carry out an evaluation based on scientific evidence, and has lobbied for the abolition and relaxation of the restrictions. The occasions in which this issue was raised include the Japan-China Summit Meeting in June, Japan-China Foreign Ministers' Meeting in September, the courtesy call to Prime Minister Abe by Chinese Vice President Wang Qishan in November, and summit meetings with Prime Minister Abe and President Xi Jinping and Premier Li Keqiang in December. With respect to the resumption of Japanese beef exports, the "Japan-China Animal Health and Quarantine Agreement," one of the important steps for resuming exports, was signed on November 25, and the Government of China announced the lifting of a ban on imports relating to bovine spongiform encephalopathy (BSE) and foot-and-mouth disease effective December 19. On October 24, the Government of Macau announced that it would lift the ban of imports subject to the attachment of documents specified by the Government of Macau with respect to produce, fruit, and dairy products from nine prefectures (Miyagi, Ibaraki, Tochigi, Gunma, Saitama, Chiba, Tokyo, Niigata, and Nagano).

(2) Taiwan

A Domestic Affairs

On January 11, 2020, Taiwan conducted its presidential election and an election for the Legislative Yuan, which are held every four years. Although the ruling DPP were defeated in the local elections held in November 2018, the incumbent

President Tsai Ing-wen, who, since the summer of 2019, had greater support in public opinion polls than Han Kuo-yu of the largest opposition party, the Kuomintang, was re-elected with a higher number of votes than any past presidential election winners.

In the election for the Legislative Yuan, the DPP lost seats but still managed to maintain a majority by claiming 61 of the 113 seats while the Kuomintang came in second with 38 seats. The Taiwanese People's Party, launched in August 2019, came in third with five seats. In addition, the real GDP growth rate in 2019 increased by 2.71% year-on-year.

B Cross-strait Relations and Foreign Affairs

Since the inauguration of the Tsai Ing-wen administration, it can be seen that the direct cross-strait exchanges through the official route (Chinese side: Taiwan Affairs Office of State Council, the Association for Relations Across the Taiwan Strait, Taiwan side: Mainland Affairs Council, the Straits Exchange Foundation, Mainland Affairs Council) have been discontinued. Under these circumstances, President Xi Jinping delivered an important speech in January 2019 in which he called for cross-strait unification under "one country, two systems," but President Tsai Ing-Wen declared that an absolute majority of Taiwanese people would not accept "one country, two systems."

Taiwan was an observer at the World Health Organization (WHO) general assembly from 2009 to 2016, but has not been able to participate since 2017, and has also not been able to participate in the general assembly of the International Civil Aviation Organization (ICAO) and other international organizations. Furthermore, Taiwan is only able to participate in some technical meetings and expert meetings (Taiwan participates in the WHO expert meeting on COVID-19 in 2020).

Following São Tomé and Príncipe in 2016, Panama in 2017, Dominican Republic, Burkina Faso, and El Salvador in 2018, and the Solomon

Islands and Kiribati in September 2019, who have severed diplomatic relations with Taiwan and established or re-established diplomatic relations with China, there are a total of 15 countries who have diplomatic relations with Taiwan (seven countries have cut diplomatic relations with Taiwan since the inauguration of the Tsai Ing-Wen administration).

C Japan-Taiwan Relationship

For Japan, Taiwan is an extremely crucial partner and an important friend, with which it shares fundamental values such as freedom, democracy, basic human rights, and the rule of law, and enjoys close economic relations and people-to-people exchanges.

The relationship between Japan and Taiwan is maintained on the basis of working relations at the non-governmental level in accordance with the 1972 Joint Communiqué between Japan and China.

The sentiments of Japanese and Taiwanese citizens toward each other are generally favorable. In a survey conducted in February 2019 by the Japan-Taiwan Exchange Association, a private Japanese agency, 70% of Taiwanese respondents said they “felt close to Japan” or “relatively felt close to Japan.”

Reflecting such favorable sentiments toward Japan, the number of visitors to Japan from Taiwan in 2019 exceeded 4.89 million, marking a record high and demonstrating close people-to-people exchanges.

From April, the maximum number of visas under the Japan-Taiwan Working Holiday system was also expanded from 5,000 to 10,000.

Furthermore, the Japan-Taiwan Exchange Association and Taiwanese private agency, Taiwan-Japan Relations Association, signed the Memorandum on Exchange and Cooperation in the Field of Environmental Protection, the Memorandum for the Mutual Cooperation in the Field of Patent Prosecution (PPH), the Memorandum for the Mutual Cooperation in

the Field of Industrial Design Priority Document Exchange (Design PDX), and the Memorandum of Promoting Cooperation on the Import-Export Organic Foods in October.

Japan has consistently supported the participation of Taiwan as an observer in the WHO General Assembly.

On the other hand, Taiwan has continued to impose import restrictions on Japanese food products after the Great East Japan Earthquake, and Japan has repeatedly strongly requested the removal and relaxation of the restrictions on the basis of scientific evidence.

(3) Mongolia

A Domestic Affairs

Prime Minister Khurelsukh, who was elected as Prime Minister in October 2017 and Chairman of the ruling Mongolian People's Party in November 2017, has maintained a stable administration through his second year in office in 2019. He has made efforts to steadily implement the Extended Fund Facility (EFF) agreed upon with the International Monetary Fund (IMF), and the nominal GDP growth rate in 2019 reached 5.1%, showing steady improvement of Mongolia's macroeconomic indicators.

B Japan-Mongolia Relations

Mongolia is an important regional partner sharing universal values with Japan, so Japan will continue to strengthen friendly ties with the country in a “Strategic Partnership,” so that the relationship will truly be mutually beneficial.

In June 2019, Foreign Minister Kono visited Mongolia for the first time in nine years as foreign minister. In addition to meeting with Foreign Minister Tsogtbaatar, Foreign Minister Kono paid a courtesy call to President Battulga and Prime Minister Khurelsukh. In August, Foreign Minister Kono held a foreign ministers' meeting with Foreign Minister Tsogtbaatar in Thailand on the margins of the ASEAN Foreign Ministers' Meeting.

In September, Prime Minister Abe, who

visited Vladivostok (Russia) to attend the Eastern Economic Forum, held a summit meeting with President Battulga for the third consecutive year.

In October, Prime Minister Khurelsukh visited Japan to attend the Ceremony of the Enthronement of His Majesty the Emperor, and held a summit meeting with Prime Minister Abe.

In December, Minister of Defence Enkhbold visited Japan through a ministerial-level invitation program of the Ministry of Foreign Affairs, and held a defense ministers' meeting with Minister of Defense Kono, and also met with Foreign Minister Motegi.

In addition, the Fifth Consultative Meeting between Authorities for Foreign Relations, Security and Defense of Mongolia and Japan was held in Tokyo in April.

Through this series of active exchanges, Japan and Mongolia have affirmed their intents to develop the "Strategic Partnership" and

contribute to the peace and stability of the regional and international communities. Furthermore, the two countries confirmed they would cooperate to ensure the smooth opening of the New Ulaanbaatar International Airport, recognizing the fact that the New Ulaanbaatar International Airport LLC, jointly established by the Japan Business Federation and the Mongolian public corporation, signed a 15-year concession agreement for the airport with the Mongolian National Development Agency in July.

Japan will continue to strengthen bilateral relations steadily in accordance with the Japan-Mongolia Mid-term Action Plan for a Strategic Partnership (2017-2021) and make efforts to develop the "Strategic Partnership" between Japan and Mongolia.

4 Southeast Asia

(1) Indonesia

As a major country in the Southeast Asia region with the fourth largest population in the world (at 268 million people), Indonesia plays a leading role in ASEAN. In addition, it has been showing initiative for various challenges facing the international community as a G20 member.

Regarding domestic politics, a presidential election was held in April when the incumbent President Joko Widodo and candidate for Vice President Ma'ruf Amin contested with Prabowo Subianto, the leader of Gerindra party, and his vice-presidential candidate Sandiaga Uno. President Joko's camp won the election with a 55.5% share of the vote, and was thus reelected. Legislative elections (House of Representatives (DPR), House of Regional Representatives (DPD), Regional People's Representative Councils of Provinces, Regencies and Municipalities) took place on this same day. In the election for DPR members, the Indonesian Democratic Party of Struggle, the party fielding President Joko, gained 128 seats (with a 19.3% share of the vote) to become the dominant party. An inauguration



Japan-Mongolia Summit Meeting with Prime Minister Khurelsukh (October 21, Ulaanbaatar, Mongolia; Photo: Cabinet Public Relations Office)



Talks between Minister for Foreign Affairs Motegi and Minister of Defence of Mongolia Enkhbold (December 2, Tokyo)

ceremony was held for President Joko and Vice President Ma'ruf Amin on October 20, which was attended by Parliamentary Vice-Minister for Foreign Affairs Nakayama Norihiro as a representative of the Government of Japan. The “Onward Indonesia Cabinet” was announced on October 23, when the Joko administration began its second term.

High-level exchanges were actively carried out between Japan and Indonesia. At the summit-level, President Joko visited Japan in June for the G20 Osaka Summit, while Vice President Ma'ruf Amin visited Japan for the Ceremony of the Enthronement of His Majesty the Emperor. In addition, on the occasion of the ASEAN-related Summit Meeting in Bangkok, Thailand in November, a summit meeting was held between Prime Minister Abe and President Joko, for the first time since the start of the Joko administration's second term. Ministerial-level exchanges were also active. On the occasion of the G20 Aichi-Nagoya Foreign Ministers' Meeting, Minister for Foreign Affairs Retno, who remained in office for the second term of the Joko administration, visited Japan and held the first Foreign Ministers' Meeting with Foreign Minister Motegi. Through these high-level exchanges, the two sides affirmed their cooperative relations in areas such as politics and security, economy and infrastructure development, maritime issues, disaster prevention, and people-to-people exchanges. They also affirmed that they would continue to further strengthen

coordination over regional issues such as the South China Sea and North Korea.

(2) Cambodia

Cambodia is a key country in strengthening connectivity in the Mekong region and narrowing the regional development gap in the Southeast Asian region. Based on its regional advantages of being located in a strategic place of the Southern Economic Corridor and its annual economic growth rate of 7%, the country has been promoting a development policy with emphasis on the enhancement of governance, with the aim of entering the group of Upper Middle-Income Countries by 2030.

Japan has been cooperating actively with Cambodia, including through the Cambodian peace process since the late 1980s and its subsequent reconstruction and development process. Cambodia was the first country to which Japan deployed PKO from 1992 to 1993, and Japan has been deepening its relations with Cambodia in various different areas in recent years in the country's capacity as the starting point for Japan's “Proactive Contributions to Peace.” In 2013, the relations between the two countries were elevated to a “Strategic Partnership.” In 2019 there were active reciprocal visits by key officials, including a visit to Japan by H.M. Preah Bat Samdech Preah Boromneth Norodom Sihamoni, King of Cambodia, to attend the Ceremony of the Enthronement of His Majesty the Emperor in



Japan-Indonesia Foreign Ministers' Meeting
(November 22, Nagoya)



Japan-Cambodia Foreign Ministers' Meeting
(December 15, Madrid, Spain)

October, where he held talks with Prime Minister Abe, as well as a summit meeting with Prime Minister Hun Sen during his visit to Japan in May. Foreign ministers' meetings were also held in August and December.

Regarding domestic affairs, the Cambodian Government has taken measures against opposition parties, the media, and civil society, including its order to dissolve the Cambodia National Rescue Party, the largest opposition political party, in 2017. Based on such measures, as well as the results of the Cambodian National Assembly election from 2018, the country has faced continued criticism both domestically and internationally, including from civil society. On the other hand, the Cambodian Government has held dialogues with domestic opposition parties and regular meetings with members of civil society. It has also adopted measures such as allowing the leader of the former Cambodia National Rescue Party, who

has been under criminal investigation since 2017, to travel freely within the country. In the interest of lending its backing to democratic development in Cambodia, based on an agreement between the two Prime Ministers in October 2018, Japan has invited young Cambodians involved in politics on a total of three occasions. It has also extended invitations to election officials, including members of civil society, as well as high-ranking government officials in charge of partnership with civil society.

In the Khmer Rouge Tribunal, which Japan has been supporting for many years, one of the two leaders who received sentences of life imprisonment via a Trial Court Chamber judgment in 2018 passed away. Judicial proceedings are ongoing with respect to a total of four cases, which include appeal proceedings for the remaining leader (see the Special Feature below).

Special Feature

Staying Close to Cambodia's Past While Walking Together Toward the Future: Support for Extraordinary Chambers in the Courts of Cambodia and Legal Documentation Centre

Cambodia has suffered a long period of turmoil, but has now emerged as a country that is achieving rapid economic growth. However, the emotional scars of the people who experienced the massacres under the Khmer Rouge (KR) and civil war have not healed completely, and continue to have an impact on society even today. On the other hand, the younger generation, which has not experienced the KR regime and civil war, now make up about half of the population. Generation change is progressing gradually as Cambodia approaches a transitional period for society, and there is growing need for the country to pass on its past experiences to the next generation and link them to the future. This section features one such initiative that Japan provides support for – the Extraordinary Chambers in the Courts of Cambodia (ECCC) and the Legal Documentation Center which holds court documents of these Chambers.

Extraordinary Chambers in the Courts of Cambodia (ECCC)

The KR regime is said to have massacred presumably one to two million during its ruling period between 1975 and 1979, under radical communist ideology. Although the Paris Peace Agreements were achieved in 1991, the KR continued with its resistance activities, while the regime was never formally held responsible for its acts committed during its rule. In 2006, the ECCC finally launched their judicial work to judge the senior leaders of the KR regime. To date, three leaders including the former Head of State have been convicted and sentenced to life imprisonment. Appeal proceedings for suspicion of a separate offense are still ongoing for one of the three, while court proceedings are ongoing for another three military and local senior officials.

Unlike the International Criminal Tribunal for the Former Yugoslavia and the International Criminal Tribunal for Rwanda, both of which were established by the UN, the ECCC was established in cooperation with the UN as a special court in Cambodia, where the crimes were committed, to provide judgements for crimes during the KR regime in accordance with relevant Cambodian domestic law and international law under the agreement between Cambodia and the UN in 2003. To date, 240,000 people have sat in to observe the trials; this number rises to 620,000 people if participants of court visitations, etc. are included. Through the adoption of the victim participation system, it has also become possible for people to discuss their experiences of the massacre with others, which had been taboo before. Moreover, the KR Tribunal is viewed as a model for Cambodia's judicial reform, and its approach of court management based on international standards has also been applied to domestic courts. The KR Tribunal has also contributed to developing the capacity of judicial officers in Cambodia, who are acquiring international standard knowledge.



Public hearing by the pre-trial court concerning the third case (filing of objection against order to close investigations) (November 27, Photo: ECCC)

Legal Documentation Centre relating to the Extraordinary Chambers in the Courts of Cambodia (LDC)

Recently, the KR era has been introduced into history education for high school students. Nevertheless, Cambodian youths still have limited opportunities to learn objectively about the time of the KR. In light of this, the Legal Documentation Center (LDC) of the KR Tribunal was opened in the capital city, Phnom Penh, in June 2017. LDC provides educational and research resources through the archiving and disclosure of copies of court documents to the general public. At the same time, it helps to disseminate and raise awareness about court activities. In 2018, 1,695 people visited the LDC. There are expectations that the LDC will take on a central role in the further advancement of initiatives to pass on past experiences to the next generation.



Outreach activity by LDC at Samdach Ouv High School in Siem Reap Province (December 5, Photo: LDC)

Japan's support and hope

Japan positions the swift and successful conclusion of the KR Tribunal as the completion stage of the Cambodian peace process. To that end, Japan has not only provided financial assistance of approximately 87 million US dollars, which makes up about 30% of all international assistance, but also contributed to human resources by dispatching Japanese officers, one of whom served as an international judge of the Supreme Court Chamber. It has also provided assistance to cover part of the costs for the development of the LDC building and internal facilities, as well as some activity expenditures. It is not an easy task for the people and society of Cambodia that once used to kill those of the same race, and who bear hatred and distrust, to restore trust once again. However, Japan, as a country that has consistently supported Cambodia since the attainment of peace to the present day, will continue to support the efforts of the Cambodian people to learn from the past, overcome conflict, and stand united as one toward the future.

(3) Singapore

Singapore is the most economically advanced country within ASEAN. Based on its omnidirectional foreign policy, the country maintains friendly relations with major countries including the U.S. and China.

In Singapore, the People's Action Party (PAP), led by Prime Minister Lee Hsien Loong, occupies an overwhelming majority of seats in the Parliament. With the Cabinet reshuffle in May, Minister for Finance Heng Swee Keat was appointed Deputy Prime Minister in addition to his current role, and is being regarded as a candidate for the next prime minister, which means steady preparations toward a change of generations.

High-level exchanges continued in 2019 between Japan and Singapore. In May, Deputy Prime Minister and Minister for Finance Heng Swee Keat visited Japan immediately following his appointment as Deputy Prime Minister, where he paid a courtesy call on Prime Minister Abe. Prime Minister Lee Hsien Loong also visited Japan in June to attend the G20 Osaka Summit, followed by the visit of Emeritus Senior Minister Goh Chok Tong (former Prime Minister) in August to attend the Seventh Tokyo International Conference on African Development (TICAD7) and that of President Halimah Yacob in October to attend the Ceremony of the Enthronement of His Majesty the Emperor, when the summit meeting and other exchanges took place. On the occasion of the ASEAN-related Summit Meeting in Thailand in

November, Prime Minister Lee Hsien Loong and Prime Minister Abe held their second summit meeting of the year, where Prime Minister Lee Hsien Loong announced plans to lift the remaining import restrictions on food products produced in Fukushima Prefecture. In addition, when Minister of Foreign Affairs Balakrishnan visited Japan to attend the G20 Aichi-Nagoya Foreign Ministers' Meeting, he held a meeting with Foreign Minister Motegi. At the meeting, they exchanged views on promoting free trade, and affirmed their coordination with a view toward the early conclusion of the Regional Comprehensive Economic Partnership (RCEP). They also discussed regional issues such as the South China Sea issue and the situation in North Korea, and reaffirmed their coordination.

The two countries have worked together to provide developing countries with technical assistance through the "Japan-Singapore Partnership Program for the 21st Century (JSPP21)" which was signed in 1997. To date they have amassed a track record of providing training approximately 400 times with roughly 6,900 participants from ASEAN countries and other regions. The Japan Creative Centre (JCC), which was established in Singapore as a platform to promote Japanese culture, has marked its 10th anniversary in 2019. The JCC actively engages in cultural exchanges, by holding bunraku puppet performances and other commemorative events.

(4) Thailand

Thailand is located in the center of the Mekong region and is geopolitically important. It also has many production bases of Japanese companies as a result of investment accumulated over the years, and it now serves as an essential element of the Japanese economy as part of global supply chains. Under the assembly and interim cabinet established by the military government, an election for the House of Representatives was held on March 24, 2019 in order to restore the country's civil government. As a result of negotiations to form a coalition following the election, a new



Japan-Singapore Foreign Ministers' Meeting
(November 22, Tokyo)

administration was launched on July 16 in which Prime Minister Prayut Chan-o-cha would continue on in his role.

Various levels of exchanges, including political and economic ones, have been continued between Japan and Thailand on the foundation of the close relationship between the imperial and royal families and the “Strategic Partnership” relations. Active exchanges were continued at various levels between the two countries in 2019 as well, during which Japan and Thailand served as the chair for the G20 and ASEAN respectively. In May Minister of Foreign Affairs Don visited Japan to attend the Thai Festival, while Prime Minister Prayut visited in June to attend the G20 Osaka Summit. Moreover, in July Foreign Minister Kono visited Thailand to attend the ASEAN-related Foreign Ministers’ Meetings, and Prime Minister Prayut visited Japan again in October in order to attend the Ceremony of the Enthronement of His Majesty the Emperor. In November Prime Minister Abe visited Thailand to attend the ASEAN-related Summit Meetings.

(5) Timor-Leste

Timor-Leste, the first country which achieved independence in the 21st century (in 2002), is a strategically important country in the Indo-Pacific region, and is situated in an important sea lane between Australia and Indonesia. The country has realized peace and stability with the support of the international community and has been building the nation based on democracy. As its economy is highly dependent on natural resources such as petroleum and natural gas, the country has been working to diversify its industry as a matter of the highest national priority.

In diplomatic relations, the country has made vigorous efforts toward achieving the accession of Timor-Leste to ASEAN, which is the most important diplomatic agenda. In this context in the summer of 2019 Minister for Foreign Affairs and Cooperation Babo made a round of visits to ASEAN countries to hold talks with dignitaries.

On the domestic front, a confrontation between the ruling parties, which inaugurated the Eighth Constitutional Government in June 2018, and President Lu-Olo, led to a state of persistent political deadlock.

The year 2019 marked the 20th anniversary of the Popular Consultation in which Timorese people voted to restore independence, as well as the start of Japan’s assistance for Timor-Leste, and was marked by vigorous high-level visits. Minister for Foreign Affairs and Cooperation Babo visited Japan (in March), while Special Advisor to the Prime Minister Sonoura Kentaro visited Timor-Leste (in April). Parliamentary Vice-Minister for Foreign Affairs Suzuki Norikazu also visited Timor-Leste (in August) to attend the ceremony for the 20th anniversary of the Popular Consultation in Timor-Leste. Through this series of high-level visits, the two sides strengthened bilateral cooperation in areas such as education, human resource development, people-to-people exchanges, economy and infrastructure, and politics and security. They also enhanced the trilateral cooperation among Japan, Timor-Leste and Indonesia in the maritime field and others, as well as regional coordination.

(6) The Philippines

The Philippines is a maritime nation comprised of more than 7,000 islands located in the South China Sea. It has maintained real GDP growth of approximately 6%, thanks to remittances from overseas workers as well as high domestic demand attributable to sustained population growth. Throughout 2019, President Duterte, who assumed office in June 2016, continued to demonstrate strong leadership and enjoyed a high approval rating and robust economic fundamentals. The Mindanao peace process witnessed milestone achievements as the Bangsamoro Transition Authority was constituted in February, followed by the official commencement of disarmament activities in September (see the Special Feature on page 65). As for nationwide public

safety enhancement, the Duterte administration continued to make progress on its focal policies of illegal drug control, eradication of corruption, public order maintenance, and counter-terrorism offensives. Economically, tax reforms have been advancing steadily, in instances like the coming into force of the Comprehensive Tax Reform Program (CTRP). The series of tax reforms have been met with strong popular support, and thus led to a landslide victory in favor of the president and his allies in the mid-term elections in May.

Indicative of the Japan-Philippines “strategic partnership,” high-level officials actively exchanged visits between the two countries. Foreign Minister Kono was among those from Japan to visit the Philippines (in February), as well as Minister of Justice Yamashita Takashi (in July). Japan received visits by Secretary of Foreign Affairs Locsin (in May) and Secretary of Finance Dominguez (in February, May, and December). In addition, Japan-Philippines Summit Meetings were held between Prime Minister Abe and President Duterte on two occasions (in May and November), while Japan-Philippines Foreign Ministers’ Meetings took place three times (in February, May, and August).

In June, Japan and the Philippines convened Political-Military (PM) & Military-Military (MM) Dialogues and Maritime Dialogues to galvanize bilateral policy coordination on security matters. On the economic front, Japan has continued to provide powerful support to the Philippine Government’s robust infrastructure development policy, “Build, Build, Build,” by way of convening three meetings of the Japan-Philippines High Level Joint Committee on Infrastructure Development and Economic Cooperation (the 7th in February, the 8th in June, and the 9th in December), a mechanism that was launched to steadily implement Prime Minister Abe’s January 2017 pledge to render assistance to the tune of 1 trillion yen over five years.

Japan signed a memorandum of cooperation with the Philippines, ahead of other countries, in March in relation to the new residency status, “Specified Skilled Worker,” and has since held examinations for candidates in nursing among others based on the memorandum. The Government of the Philippines made a decision on lifting the import restrictions placed on marine products from Fukushima Prefecture since the Great East Japan Earthquake.

Special Feature

Japan’s Efforts in the Mindanao Peace Process

Mindanao encompasses the region that includes Mindanao Island and the Sulu Archipelago in the southern part of the Philippines. Endowed with lush green mountains and the beautiful ocean, Mindanao is home to thriving agriculture on its fertile lands as well as a diversity of cultures and religious faiths. Most of the banana and pineapple produce available at supermarkets in Japan are harvested on plantations in Mindanao. In addition, President Duterte is the first president in the Philippines’ history to hail from Mindanao. Mr. Manny Pacquiao, a world-famous boxer and an incumbent Senator, is also a native of Mindanao.

Mindanao was the historically contested arena between the indigenous Moro people and the Philippine Government. Since 1969, militant groups aspiring to establish a Muslim nation-state, such as the Moro National Liberation Front (MNLF), continued to wage an armed separatist campaign. Despite repeated failed attempts at peace-making, persistent negotiations have made great strides on the peace process in recent years, fructifying into the enactment of the Bangsamoro*¹ Organic Law in July 2018 and the establishment of the Bangsamoro Transition Authority in February 2019 through a plebiscite on constituting

an autonomous government. The great challenge at hand is to ensure that the peace dividends are tangible for the people who have been left behind from an avalanche of development projects amid more than 40 years of conflict.

For nearly 20 years since the announcement of the "Support Package for Peace and Stability in Mindanao" by then Prime Minister Koizumi in 2002, the Government of Japan has been providing comprehensive support ranging from the advancement of the peace process to reconstruction and development in cooperation with the Philippine Government and the Moro Islamic Liberation Front (MILF), among others.

An initiative that epitomizes Japan's commitment is the concentrated implementation of development cooperation projects, dubbed "J-BIRD*2," which derives its name from the figure of a dove—a symbol of peace—flying over Mindanao. J-BIRD was launched in December 2006 when Prime Minister Abe visited the Philippines in recognition of the importance of economic development benefitting residents for the sustainable stability and development of Mindanao. Through J-BIRD, more than 50 billion yen has been disbursed to date (as of December 2019) in order to assist administrative capacity ahead of the inception of an autonomous government, livelihoods improvement, industrial and infrastructure development, and construction of schools and agricultural facilities in more than 350 villages. Lately, in an effort to stabilize the region, Japan has also been providing assistance in the form of vehicle and equipment procurement for the Joint Peace and Security Teams (JPST) and the Independent Decommissioning Body (IDB), which are responsible for the disarmament and decommissioning of MILF soldiers, on top of direct assistance to the Bangsamoro Transition Authority. Japan also deploys staffers of the Embassy of Japan in the Philippines to the International Monitoring Team (IMT), an official ceasefire-monitoring body, for needs assessment, project formulation, and ex-post monitoring in the areas affected by the conflict.

The array of support to the Mindanao peace process by the Government of Japan is widely known to the residents of Mindanao; Philippine dignitaries including President Duterte have on multiple occasions expressed their appreciation for it. The progress of the peace process is of utmost importance, not only to the Philippines, but also to the growth and prosperity of the Indo-Pacific region and with respect to leaving no room for a hotbed of terrorism in the region. Going forward, the Government of Japan will continue to strengthen its assistance as the peace process progresses.



Parliamentary Vice-Minister for Foreign Affairs Suzuki observing the plebiscite for establishing an autonomous government in the Bangsamoro region (January 21, Cotabato City, Philippines)



Logo of J-BIRD



Foreign Minister Kono attending the ceremony for the signing and exchange of notes on the "Road Network Development Project in Conflict-Affected Areas in Mindanao," one of the projects under J-BIRD (February 10, Davao, Philippines)

*1 Bangsamoro means "land of the Moro people (an indigenous people of Mindanao)" in the local language.

*2 J-BIRD: Japan-Bangsamoro Initiatives for Reconstruction and Development

(7) Brunei

Its abundance in natural resources has enabled Brunei to realize a high economic standard and generous social welfare. As such, the country enjoys political and economic stability. Located in the center of Southeast Asia, the country has adopted a balanced diplomacy built on the pillar of promoting ASEAN unity and centrality.

As for the recent economic situation, the economic growth rate has fallen since 2014 due to causes such as drastically falling prices of crude oil around the world. Although there has been a positive recovery in the economic growth rate from the second quarter of 2017 due to gradually rising oil and gas prices, the Government of Brunei is aiming for economic diversification to avoid overreliance on energy resources.

Since Japan and Brunei established diplomatic relations immediately after the independence of Brunei in 1984, the two countries developed excellent bilateral relations in various areas that include politics, defense, economy, culture, and personal exchanges. In addition, the two countries enjoy a close relationship between the imperial and royal families. Brunei is an important country for the stable supply of energy resources to Japan. Around 60% of Brunei's liquefied natural gas (LNG) exports are bound for Japan, and LNG from Brunei makes up around 5% of the total LNG import to Japan. On the cultural front, the

countries engage in youth exchange projects such as "JENESYS2.0"²⁴ and the Cabinet Office's Ship for Southeast Asian Youth Program, as well as frequent exchanges in sports such as badminton and judo.

As a reflection of the good bilateral relations, reciprocal visits by key officials continued to be actively carried out in 2019. His Majesty Sultan Haji Hassanal Bolkiah visited Japan in October to attend the Ceremony of the Enthronement of His Majesty the Emperor, and during the visit a summit meeting was held with Prime Minister Abe. During the talks, Sultan Bolkiah announced that Brunei would lift the import restrictions on Japanese food products that had been in place since the Great East Japan Earthquake. In addition, Minister of Foreign Affairs II Dato Erywan, who accompanied His Majesty to Japan, and Foreign Minister Motegi held a foreign ministers' meeting. There they confirmed to further strengthen the bilateral relations, and continue their close coordination with respect to regional affairs.

(8) Viet Nam

Located next to sea lanes in the South China Sea and sharing a long border with China, Viet Nam is a geopolitically important country. Given that the country embraces the third largest population in Southeast Asia, and is experiencing a surge in the number of people in middle-income brackets, Viet Nam is a promising market. The country is currently striving to realize stable economic growth through the stabilization of the macroeconomy including control of inflation, the promotion of foreign investment by the development of infrastructure and the improvement of the investment environment. Moreover, the Government has been engaging actively in administrative reform and anti-corruption measures.

Japan and Viet Nam have been advancing cooperation in a variety of areas under the Extensive Strategic Partnership for Peace and Prosperity in



Japan-Brunei Foreign Ministers' Meeting (October 21, Tokyo)

²⁴ JENESYS: Japan-East Asia Network of Exchange for Students and Youths

Asia. High level officials have made frequent visits to each country. In January State Minister for Foreign Affairs Abe Toshiko visited Viet Nam and took part in the 6th Japan Vietnam Festival in Ho Chi Minh City, which is the largest exchange event between the two countries in Viet Nam. In May, Vietnamese Deputy Prime Minister and Minister of Foreign Affairs Minh visited Japan to attend the International Conference on the Future of Asia. During his visit, both foreign ministers held the Japan-Viet Nam Cooperation Committee and a foreign ministers' meeting. In June Prime Minister Phúc visited Japan to attend the G20 Osaka Summit, and he had a summit meeting with Prime Minister Abe. Prime Minister Phúc visited Japan once again in October to attend the Ceremony of the Enthronement of His Majesty the Emperor.

Viet Nam has essentially been a country with great affinity toward Japan. The number of Vietnamese visiting Japan grew from about 40,000 in 2011 to over 380,000 in 2018. The number of Vietnamese living in Japan rose from about 40,000 in 2011 to about 370,000 in June 2019, the third largest group of foreign residents after China and South Korea.

(9) Malaysia

Comprised of the Peninsular Malaysia of the Malay Peninsula and East Malaysia of Borneo, Malaysia is a geopolitically important country facing the South China Sea and Strait of Malacca that is situated in a crucial spot in the Indian Ocean and Pacific Ocean. In addition, it is a federal state comprised of 13 states and three federal territories, and also a multiethnic state comprised of ethnically Malay, Chinese and Indian people, among others.

In the 14th Dewan Rakyat general election held in May 2018, the opposition alliance (the Alliance of Hope, or Pakatan Harapan) led by former Prime Minister Mahathir (fourth Prime Minister) acquired a majority, and there was a change of administration for the first time since Malaysia achieved independence in 1957. Prime Minister

Mahathir became Malaysia's seventh Prime Minister, and has been working to restore the rule of law, improve transparency and governance, and reduce the country's debt. In May 2019 Prime Minister Mahathir visited Japan, and confirmed to strengthen the "Strategic Partnership" through revitalizing the Look East Policy in the summit meeting, and issued a fact sheet entitled "Japan-Malaysia Cooperation - Look East Policy Revisited in the New Era." In August, Foreign Minister Kono held a foreign ministers' meeting with Minister of Foreign Affairs Saifuddin on the occasion of the ASEAN-related Foreign Ministers' Meeting (in Thailand). In October Sultan Abdullah Sultan Ahmad Shah visited Japan to attend the Ceremony of the Enthronement of His Majesty the Emperor, where he held a meeting with Prime Minister Abe. Successively, cabinet ministers from Malaysia visited Japan, and reciprocal visits by key officials were actively carried out between the two countries.

Cooperation has advanced across a number of areas which includes the issuance of samurai bonds (yen-denominated bonds) in March and the signing of a memorandum of cooperation on the solid waste area in September.

Through the Look East Policy, which serves as a foundation for the good bilateral relationship between Japan and Malaysia and was proposed by Prime Minister Mahathir in 1981, approximately 17,000 Malaysian people have studied or have been trained in Japan so far. The two countries have been cooperating in making the Malaysia Japan International Institute of Technology (MJIIT), which was opened in September 2011, a base for Japanese-style engineering education in ASEAN countries.

On the economic front, Japan is the biggest investor to Malaysia, and roughly 1,300 Japanese companies have been operating in Malaysia, which demonstrates continued close cooperation between the two countries.



State Minister for Foreign Affairs Abe visiting a site for food distribution assistance in Rakhine State, Myanmar (January 15, northern Maungdaw Township, Myanmar)

(10) Myanmar

In Myanmar, the current administration led by State Counsellor Aung San Suu Kyi has been making efforts for the consolidation of democracy, national reconciliation, and economic development. Japan is providing full-fledged support to Myanmar's democratic nation building by bringing together the public and private sectors, based on the recognition that the stability of Myanmar, which has a historical friendship with Japan, has huge potential for economic development, and geopolitical importance is directly related to stability and prosperity throughout the entire region. In 2016, Prime Minister Abe expressed the intention that Japan would contribute 800 billion yen in total through the public and private sectors over five years from FY2016 to 2020. Since then, Japan has been materializing its cooperation in various fields, including urban development, electricity, and transportation infrastructure. In October 2018, Prime Minister Abe conveyed to State Counsellor Aung San Suu Kyi, who was visiting Japan, that Japan would implement new assistance projects to enhance civic life in the Yangon metropolitan area. In 2019 Foreign, Minister Kono visited Myanmar in July, where he held talks with State Counsellor Aung San Suu Kyi. In addition, State Counsellor Aung San Suu Kyi visited Japan in October to attend the Ceremony of the Enthronement of His Majesty the Emperor.

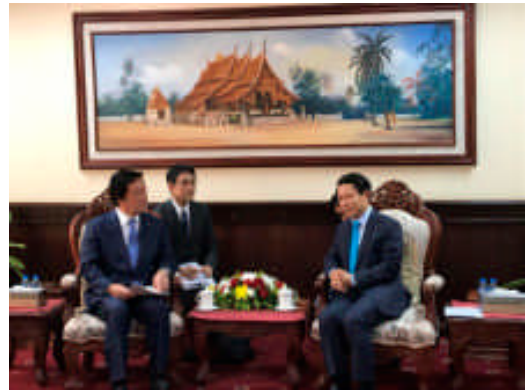
There has been continuous tension since the conflict between communities began in 2012 in

the western state of Rakhine. More than 700,000 people were displaced to Bangladesh due to the armed group's attacks on Myanmar security forces' bases in August 2017, the security forces' operation, and the subsequent destabilization of the situation. Together with the international community, Japan has been urging the Government of Myanmar to implement the "safe, voluntary, and dignified" return of displaced persons and create an environment conducive to repatriation with the involvement of the UN. Japan is also implementing humanitarian aid for displaced persons and host communities on the Bangladesh side and displaced persons and residents in Rakhine State. In addition, Japan is urging the Government of Myanmar to implement a transparent and credible investigation on allegations of human rights violations in Rakhine State with the involvement of the international community, and to take appropriate measures accordingly. State Minister for Foreign Affairs Abe visited Myanmar in January 2019, where she conveyed Japan's position on the issue in Rakhine State to officials from the Government of Myanmar, and observed the provision of assistance from Japan and the UN.

In Myanmar, achieving peace with ethnic armed groups, who have been fighting against the Myanmar military since its independence, has also been a pressing issue. By February 2018, 10 ethnic armed groups, including Karen National Union (KNU), had signed the Nationwide Ceasefire Agreement (NCA). Japan is promoting dialogues between stakeholders in cooperation with Mr. Sasakawa Yohei, Special Envoy of the Government of Japan for National Reconciliation in Myanmar. Japan is also implementing reconstruction and development assistance, including infrastructure such as houses, schools and, medical facilities, agricultural technique training, and electrification of houses through solar panels in cooperation with Japanese NGOs in Southeast Myanmar, including Karen State and Mon State, to improve the living standards of the residents in the areas where there is a ceasefire.

(11) Laos

Laos is a land locked country bordering the five countries of China, Myanmar, Thailand, Cambodia and Viet Nam, and therefore is a key country in connecting the Mekong region. After the holding of the 10th Congress of the Lao People's Revolutionary Party and the 8th National Parliamentary Elections in 2016, regarding domestic affairs, 2019 has been a year of stable administrative operation under the single-party rule of the Lao People's Revolutionary Party. On the economic front, the country has worked to stabilize its financial situation as a matter of the utmost priority. On the other hand, economic growth remained steady at around 7%, which was about the same level as the previous year, driven by electricity and mineral resources. In regard to relations between Japan and Laos, reciprocal visits by key officials were actively carried out in 2019 as well. In May Prime Minister Thongloun and Minister of Foreign Affairs Saleumxay visited Japan together, during which a summit meeting and foreign ministers' meeting were held. Vice President Phankham visited Japan on two occasions, once in October to attend the Ceremony of the Enthronement of His Majesty the Emperor and again in November to attend the Ceremony of Imperial Conferment of Decoration (Grand Cordon of the Order of the Rising Sun). From the Japan side as well, State Minister for Foreign Affairs Abe visited Laos in June, as did State Minister for Foreign Affairs Wakamiya in October, respectively, through which momentum has been maintained for close, high-level exchanges in recent years under the "Strategic Partnership." Regarding support in financial stability strongly requested by the leaders of the Government of Laos, Japan continued to cooperate at multiple levels in the public and private sectors by dispatching experts, holding various seminars, etc. In addition, in response to the natural disasters such as flooding that occur throughout the entirety of Laos on a yearly basis, the Government of Japan provided equipment and supplies conducive



Talks between State Minister for Foreign Affairs Wakamiya and Minister of Foreign Affairs Saleumxay of Laos (October 5, Laos)

to improving the country's disaster prevention and disaster response capabilities based upon a request from the Government of Laos. It also provided assistance for restoration and reconstruction through international agencies. In June, the Project for Improvement of the National Road Route 9, which is a symbolic project for strengthening connectivity in the Mekong region, was completed, and a grand handover ceremony was conducted with the attendance of high-level officials from both countries. This project demonstrated the strengthening of regional connectivity by the Government of Japan toward achieving a "Free and Open Indo-Pacific." In this way, in the area of economic cooperation, steady progress has been seen in 2019 for the "Japan-Lao PDR Joint Development Cooperation Plan" announced by both leaders in September 2016. Regarding cultural exchange, the "Japan Festival" was held in Vientiane in February followed by the "Laos Festival" in Tokyo in May, both of which deepened mutual understanding by the peoples of both countries.

5 South Asia

(1) India

Geopolitically speaking India is an extremely important country as it faces the Indian Ocean which connects Asia and Africa and is positioned in the center of sea lanes. Moreover, India

has the third largest economy in Asia, with the world's second largest population and a huge middle-income group. Japan and India are the two largest democratic countries in Asia, sharing common fundamental values, such as democracy and the rule of law, as well as strategic interests. Recently, India has been implementing a variety of economic initiatives, including "Make in India." Consumption and production have also been increasing, and foreign direct investment has been rising steadily against a backdrop of deregulation. In diplomatic relations, the "Act East" policy has been laid down in implementing active diplomacy to promote concrete cooperation in the Indo-Pacific region, thereby enabling India to gain more influence in the international arena as a global power.

Regarding relations with Japan, 2019 marked five years since bilateral relations were elevated to the status of a "Special Strategic and Global Partnership." That same year, Japan-India Summit Meetings were held on the margins of the G20 Osaka Summit in June, the Eastern Economic Forum in Vladivostok, Russia in September, and the ASEAN-related Summit Meeting in Bangkok, Thailand in November. At these meetings, the two countries affirmed their cooperative relations with a view toward achieving a "Free and Open Indo-Pacific." Moreover, the first Japan-India Foreign and Defence Ministerial Meeting ("2+2"

Ministerial Meeting) was held in November, where a frank exchange of opinions was carried out regarding bilateral security and defense cooperation; multilateral cooperation such as Japan-U.S.-India and Japan-U.S.-Australia-India; as well as regional and international situations. In addition, a joint statement was issued, and both sides welcomed the significant progress seen in negotiations toward the conclusion of the Japan-India Acquisition and Cross-Servicing Agreement (ACSA).²⁵ As such moves indicate, numerous concrete accomplishments were achieved in the "2+2" meeting.

(2) Pakistan

Pakistan is located in a strategic position connecting Asia and the Middle East. Thus, its political stability and economic development are essential for the stability and growth of the region. Pakistan is also one of the most important countries in the context of international counterterrorism measures. Furthermore, the country embraces a population of around 200 million, and approximately 60% of the total population is under 25 years old, thus making its economic potential high. As for internal affairs, in the elections of the National Assembly and Provincial Assembly held in July 2018, the Pakistan Tehreek-e-Insaf (PTI), the second largest opposition party, won by a large margin over the ruling party, Pakistan Muslim League-Nawaz (PML-N). The leader of PTI, Khan, was inaugurated as prime minister, and the new Khan administration was launched in August.

In foreign relations, the India-Pakistan relationship has remained tense as a result of the terrorist attack in Indian Kashmir in February 2019 and the subsequent strikes by the air forces of both sides, as well as the Indian Government's decision to revoke Article 370 of the Constitution, which recognized the special status of Jammu and Kashmir. Furthermore, under the "All Weather Strategic



Japan-India Foreign and Defence Ministerial Meeting ("2+2" Ministerial Meeting) (November 30, Delhi, India)

²⁵ ACSA: Acquisition and Cross-Servicing Agreement

Cooperative Partnership,” the relationship with China has been enhanced in a wide range of fields toward the construction of an economic corridor between China and Pakistan (CPEC), which is an important constituent element of China’s “Belt and Road” initiative. Regarding the relationship with Afghanistan, there remain many issues to be addressed, including border control and refugee problems. Meanwhile, the relationship with the U.S. remains stagnant with Pakistan being criticized by name in the Trump administration’s new South Asia strategy. However, there have been developments on this front, such as a visit to the U.S. by Prime Minister Khan in July 2019.

On the economic front, the growth rates in FY2017/2018 marked around 5.79%, making them the highest in the past 13 years. However, this fell to 3.3% in FY2018/2019. The Khan administration has faced a serious shortage of foreign currency reserves since its inauguration, and it is advancing initiatives to improve this situation through negotiations for support from its friendly countries and the implementation of IMF programs.

Regarding the relationship with Japan, Foreign Minister Makhdoom Shah Mahmood Qureshi visited Japan in April 2019, where both sides exchanged opinions on initiatives to further develop bilateral relations as well as on the regional situation at a foreign ministers’ meeting. In addition, President Alvi visited Japan for the Ceremony of the Enthronement of His Majesty the Emperor in October, where he held talks with Prime Minister Abe among other events.

(3) Bangladesh

Bangladesh, in which Muslims account for around 90% of the population, is a democratic country located in the Bay of Bengal and is geopolitically very important as an intersection between India and ASEAN. General elections were held at the end of December in 2018, resulting in the continued rule of the Awami League administration led by Prime Minister Hasina. Furthermore, with the deterioration in peace and

order in Rakhine State of Myanmar since August 2017, more than 700,000 displaced persons have flooded into the country, whose acceptance has been placing a growing burden on the local residents. Negotiations have been taking place with the Government of Myanmar to return the refugees, but this has yet to be finalized. On the economic front, the country maintained a steady economic growth rate of around 8.13% in 2019, thanks to robust exports mainly of textile products. With a population of around 160 million people, Bangladesh has a production base with abundant low cost and high-quality labor, and the high potential of its market including considerable infrastructure demand is attracting attention. The number of Japanese-affiliated companies developing business in the country has increased from 61 in 2005 to 305 in 2019. However, the securing of a stable supply of electric power as well as infrastructure improvement remain as challenges for foreign companies investing in the country.

Regarding the relationship with Japan, Prime Minister Hasina visited Japan in May and a Japan-Bangladesh Summit Meeting was held during the visit. In addition, President Hamid visited Japan in October for the Ceremony of the Enthronement of His Majesty the Emperor. From the Japanese side, State Minister for Foreign Affairs Abe visited Bangladesh in February, followed by Minister



Japan-Bangladesh Summit Meeting (May 29, Tokyo; Photo: Cabinet Public Relations Office)

of Foreign Affairs Kono in July. At the Summit Meeting and Foreign Ministers' Meeting, the two sides affirmed that they would strengthen the bilateral relationship and cooperation on regional and international affairs under the Japan-Bangladesh Comprehensive Partnership. In addition, they held detailed discussions on the response to the issue of displaced persons coming into Bangladesh from Northern Rakhine State of Myanmar.

(4) Sri Lanka

Sri Lanka is located in a strategic position on the sea lanes in the Indian Ocean. The country is traditionally one of the friendliest countries to Japan and its geopolitical and economic importance is note-worthy. Regarding domestic affairs, eight locations in the country, including Sri Lanka's largest city of Colombo, were hit by a series of terrorist bombings in April. More than 250 people died (including one Japanese national), and more than 450 people were injured. Regarding politics, President Sirisena, who was elected at the presidential election in January 2015, had managed the Government for five years, but in November 2019, a presidential election was held with the end of his term, and Mr. Gotabaya Rajapaksa of the Sri Lanka Podujana Peramuna was elected as the new president. On the economic front, after the end of the conflict, the economy of Sri Lanka was growing at an annual rate of 7%, and it continues to maintain steady annual growth of over 3% in recent years. Its GDP per-capita was recorded at 4,102 US dollars in 2018, and given the geopolitical importance of the country and its access to the Indian market, an even higher growth rate is expected.

Regarding the relationship with Japan, President Sirisena visited Japan in October 2019 for the Ceremony of the Enthronement of His Majesty the Emperor, marking his third visit since his inauguration. Then in December, Foreign Minister Motegi became the first key official from the Government of Japan to visit Sri Lanka following the establishment of the Rajapaksa administration. There he



Japan-Sri Lanka Foreign Ministers' Meeting
(December 13, Colombo, Sri Lanka)

worked to build a relationship of trust with the new Rajapaksa administration, while holding discussions over matters like cooperation to achieve a "Free and Open Indo-Pacific."

(5) Nepal

Nepal has geopolitical importance as an inland state between the great powers of China and India. For many years, Japan has been a major donor to Nepal and the two countries keep traditionally friendly relations through a variety of exchanges including between the imperial family and the former royal family, and through mountaineering. In domestic affairs, local elections for the House of Representatives and Provincial Assemblies were held in 2017, and in February 2018, Prime Minister Oli was inaugurated, and the coalition government formed by the Communist Party of Nepal (Unified Marxist-Leninist) (UML) and the Communist Party of Nepal-Maoist Centre (MC) was set up. The UML and MC merged in May and the Nepal Communist Party was established. For many years, Japan has assisted the consolidation of democracy in Nepal, and has been supporting the country's initiative to realize a "Prosperous Nepal, Happy Nepal." Regarding the relationship with Japan, Foreign Minister Kono visited Nepal in January 2019. During this visit, he paid courtesy calls on President Bidhya Devi Bhandari and Prime Minister KP Sharma Oli. In addition, a Japan-Nepal Foreign Ministers' Meeting was held, where it was announced that

Japan would promote assistance to the economic development of Nepal and advance cooperation in the agricultural sector. In October, President Bhandari visited Japan for the Ceremony of the Enthronement of His Majesty the Emperor, where she held talks with Prime Minister Abe for the first time.

In addition, there have been developments toward promoting people-to-people exchanges between Japan and Nepal, such as the resumption of direct flights by Nepal Airlines in August between Osaka and Kathmandu for the first time in 12 years.

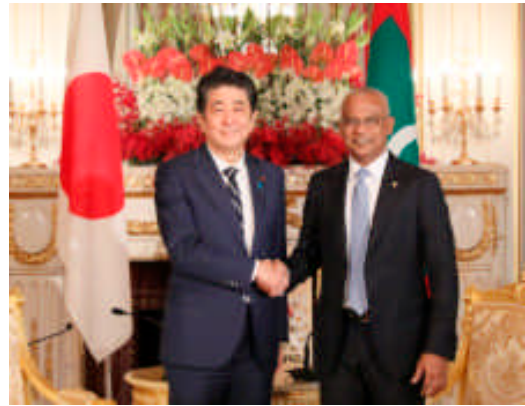
(6) Bhutan

In Bhutan, the Tshering administration was launched as a result of the National Assembly election held in October 2018. Bhutan sets Gross National Happiness (GNH) as a guideline of the administration and is currently working on the priority issues of reducing poverty, improving the quality of healthcare and education, gender equality, the preservation of the environment, culture and traditions, stabilization of the macroeconomy, economic diversity, advancing of decentralization, etc., under the 12th Five-Year Plan (from July 2018 until June 2023).

In relations with Japan, King Wangchuck visited Japan for the Ceremony of the Enthronement of His Majesty the Emperor in October. King Wangchuck exchanged opinions with Prime Minister Abe about promoting economic cooperation and people-to-people exchanges.

(7) The Maldives

The Maldives is an island country in the Indian Ocean and its economic growth is mainly led by fishing and tourism, which account for about 30% of GDP. The country's per-capita GDP reached approximately 10,331 US dollars, marking the highest in South Asia. In domestic affairs, the Solih administration was launched in November 2018 as a result of the presidential election held in September 2018. In the parliamentary election



Japan-Maldives Summit Meeting
(October 21, Tokyo; Photo: Cabinet Public Relations Office)

held in April 2019, the ruling Maldivian Democratic Party (MDP) captured two-thirds of the seats in parliament, thus solidifying the political footing of the administration of President Solih. Since his inauguration, President Solih has been promoting a foreign policy of strengthening cooperation with every country that hopes to build mutually beneficial relations and of advancing cooperation with other countries in the region including India.

Regarding the relationship with Japan, 2017 marked the 50th anniversary of the establishment of diplomatic relations, and in January 2018, Foreign Minister Kono visited the Maldives for the first time as a Japanese foreign minister. Since then, reciprocal visits by key figures have been actively held. President Solih visited Japan for the first time ever on the occasion of the Ceremony of the Enthronement of His Majesty the Emperor in October 2019, where he held a summit meeting with Prime Minister Abe. He also visited spots such as Odawara City, which will be the host town for the Maldives delegation to the Tokyo 2020 Olympic and Paralympic Games. In addition, Foreign Minister Abdulla Shahid also visited Japan together with President Solih and held a Japan-Maldives Foreign Ministers' Meeting with Foreign Minister Motegi. There, the two sides affirmed that they would strengthen bilateral ties and continue cooperating to achieve a "Free and Open Indo-Pacific."

6 Oceania

(1) Australia

A Brief Summary and Overview

In the Foreign Policy White Paper issued by the Australian Government in November 2017, it was announced that as the guidelines for foreign policy of the next 10 years, Australia will, among others, promote an open, inclusive and prosperous Indo-Pacific region, oppose protectionism, promote and protect international rules, while also strengthening cooperation with partners including Japan. This foreign policy has continued to be upheld even after Prime Minister Morrison replaced Prime Minister Turnbull in August 2018.

With the region facing a variety of issues, the “Special Strategic Partnership” between Japan and Australia, which share fundamental values and strategic interests, is more important than ever. The two countries’ strategic visions toward maintaining and strengthening a free and open international order based on the rule of law in the Indo-Pacific region are aligned in wide-ranging areas. With the Prime Ministers’ annual mutual visits and close coordination between the Foreign Ministers serving as the basis, the two countries have been further deepening multi-layered cooperation and collaboration in all areas toward stability and prosperity of the international community. Furthermore, multilateral coordination and partnerships such as the Japan-U.S.-Australia, and Japan-U.S.-Australia-India relations are being steadily strengthened.

The two countries are promoting free trade, including the TPP Agreement. Australia is the fifth largest trading partner for Japan, and Japan is the second largest trading partner for Australia. The two countries are further developing mutually complementary economic relations based on the Japan-Australia Economic Partnership Agreement (EPA), which marks the fifth anniversary of its effectuation, and the TPP11 Agreement that entered into force at the end of 2018.

After winning another term in the federal

election in May, Prime Minister Morrison made his first visit to Japan in June to attend the G20 Osaka Summit. At the Japan-Australia Summit Meeting held immediately prior to the G20 Summit, the two sides affirmed cooperation aiming for the success of the G20, and shared their views on matters such as continuing to work together to jointly address the issues of terrorism and the Internet in the future, as well as engaging in greater collaboration to achieve a “Free and Open Indo-Pacific.” A special invitation was extended to Australia to the G7 Biarritz Summit in August, where a Japan-Australia Summit Meeting was held on the opportunity presented by Australia’s attendance. There the two leaders deepened their personal relationship of trust, thereby further strengthening relations between Japan and Australia.

The Foreign Ministers held frequent meetings on the margins of various occasions, including the UN General Assembly. Minister for Foreign Affairs Payne visited Japan to attend the G20 Aichi-Nagoya Foreign Ministers’ Meeting in November, where a foreign ministers’ meeting was held with Foreign Minister Motegi. There, the two Ministers exchanged opinions regarding the situations in Pacific Island countries, North Korea, and the South China Sea, and agreed to continue their close coordination as like-minded nations. Japan is also making advances in strengthening relations with each of the states of Australia, with Parliamentary Vice-Minister for Foreign Affairs Suzuki visiting Victoria in February. In addition,



Japan-Australia Foreign Ministers’ Meeting
(November 22, Nagoya)

Special Advisor to the Prime Minister Sonoura visited Canberra and New South Wales (Sydney) in August, and Special Advisor to the Prime Minister Akiba Kenya visited Victoria (Melbourne) and Western Australia (Perth) in October. Furthermore, the Japan-Australia Parliamentary Friendship League visited Australia for the first time in seven years, visiting Western Australia (Perth). Visits to Japan were made by Premier of Western Australia McGowan in January, Premier of Tasmania Hodgman and Governor of South Australia Le in March, and Premier of Queensland Palaszczuk in May.

In a typical year, forest fire season lasts from September until March in Australia. But the forest fire that broke out in the fall of 2019 was the most massive ever, keeping Prime Minister Morrison fully occupied. For its part, Japan deployed a Disaster Relief Team and Japan Self-Defense Force units between January 15 and February 8, 2020 and provided emergency assistance supplies (masks).

B Cooperation in the Security Field

To ensure peace and prosperity of the Indo-Pacific region, Japan and Australia have continued to steadily strengthen and expand cooperation in the field of security.

To date, Foreign and Defense Ministerial Consultations have been held with Australia on eight occasions, where the two sides have held discussions on promoting bilateral security and defense cooperation, in light of the importance of cooperation between the two countries, which have both the intent and ability to actively contribute to regional stability and prosperity. Furthermore, Japan and Australia, both of which are allies of the U.S., are continuing to work on further enhancing Japan-U.S.-Australia cooperation. The Ninth Japan-U.S.-Australia Trilateral Strategic Dialogue (TSD) was held in August in Bangkok, Thailand, where the three countries welcomed concrete developments of cooperation. Furthermore, the three countries confirmed

to continue working even more closely over promoting quality infrastructure investments in line with the G20 Principles for Quality Infrastructure Investment and through support for the establishment of maritime security functions. In addition, they affirmed that they would continue to work closely with regard to North Korean issues, including the abductions issue.

C Economic Relations

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (TPP11 Agreement), which was spearheaded by Japan and Australia, came into effect in December 2018. The two countries are working closely and demonstrating leadership in promoting the regional free trade order, including the RCEP. Mainly industrial products such as automobiles are being exported to Australia, while mainly energy resources such as coal and natural gas, and agricultural products such as beef are being imported to Japan, in a mutually complementary economic relationship that has been developed steadily over the years. Japan is the second biggest investor in the world for Australia, and since the entry into force of the Japan-Australia EPA in January 2015, there have been active exchanges of goods, funds and people between the two countries. Moreover, efforts are being made to further develop economic relations and exchanges of people under the Conference for Promotion of Exchanges between Japan and Australia.

D Cultural and People-to-People Exchanges

There exists a foundation for affinity toward Japan in Australia cultivated over many years, as shown by the fact that approximately 400,000 people in Australia learn the Japanese language (the fourth largest group in the world), and that there are over 100 sister city relations. In order to strengthen the foundation of Japan-Australia relations, various initiatives have been implemented, including the promotion of mutual understanding through JENESYS, the exchange program

including young people, and the “New Colombo Plan”²⁶ as well as the Young Political Leaders Exchange.

In addition, the Rugby World Cup 2019 was hosted in Japan in September, during which many tourists visited Japan from Australia to witness electrifying matches. The start of direct flights between Narita and Perth this same month also contributed to promoting tourism.

E Cooperation in the International Community

In order to make an active contribution to peace and stability in the international community, the two countries have been strengthening cooperation in wide-ranging areas. In particular, cooperation has been deepened in addressing various issues facing the Indo-Pacific region such as maritime security and nuclear and missile development by North Korea. In early May, Australia deployed the Royal Australian Navy frigate MELBORNE to undertake monitoring and surveillance activities in the adjacent ocean areas around Japan, including the East China Sea. Then in August, aircraft were deployed to engage in monitoring and surveillance activities based in Kadena Air Base against illicit maritime activities, including ship-to-ship transfers by North Korea-flagged vessels, which are prohibited by UN Security Council resolutions. In addition, the two countries closely coordinate with regards to the Pacific Island region, which has deep ties to both Southeast Asia and Australia. For the promotion of Japan-U.S.-Australia infrastructure cooperation, joint trilateral missions were dispatched to Papua New Guinea in April and Indonesia in August respectively.

(2) New Zealand

A Brief Summary and Overview

Japan and New Zealand share fundamental values, such as democracy and a market economy. The two countries have been maintaining

good relations over the years. In recent years, under the “Strategic Cooperative Partnership,” the two countries have been strengthening bilateral cooperation in areas including the economy, security and defense cooperation and people-to-people exchanges, as well as cooperative relations on issues facing the region and the international community. The Labour Party-NZ First Party Coalition Government, which was inaugurated in October 2017 following the first change in government in approximately nine years, places emphasis on Japan-New Zealand relations.

In March, the terrorist shootings occurred at mosques in Christchurch. This subsequently led to the adoption of the G20 Osaka Leaders’ Statement on Preventing Exploitation of the Internet for Terrorism and Violent Extremism Conducive to Terrorism (VECT) in June.

B Mutual VIP Visits

From Japan, Special Advisor to the Prime Minister Sonoura visited New Zealand in January and June. During the January visit, he held talks with Deputy Prime Minister and Minister of Foreign Affairs Peters, where the two concurred to enhance bilateral relations and promote cooperation in the Pacific Island region. In addition, Parliamentary Vice-Minister for Foreign Affairs Suzuki visited New Zealand in February and attended a memorial service marking the eighth anniversary of the Christchurch earthquake.

From New Zealand, Prime Minister Ardern visited Japan and held a summit meeting in September. There it was agreed that the two countries would take their bilateral relations to the next level and continue cooperating toward the achievement of a “Free and Open Indo-Pacific.” Furthermore, Deputy Prime Minister and Minister of Foreign Affairs Peters visited Japan and held a foreign ministers’ meeting with Foreign Minister Motegi in October. There, the two Ministers agreed to enhance cooperation between the two

²⁶ An Australian Government policy which aims to increase knowledge of Asia among university students in Australia by promoting their studies in Asia.



Japan-New Zealand Foreign Ministers' Meeting
(October 31, Tokyo)

countries in the Pacific Island region, and released a joint declaration regarding their cooperation in the region. In addition, a special invitation was extended to New Zealand to the G20 Aichi-Nagoya Foreign Ministers' Meeting in November, based on which Minister of Foreign Affairs Peters visited Japan for a second time in 2019.

C Economic Relations

The two countries enjoy a complementary economic relationship and have closely cooperated on the steady implementation of the TPP11 Agreement, which entered into force in December 2018, and the promotion of free trade structures in the region including the RCEP. Furthermore, in the fields of food and agriculture, the “New Zealand Hokkaido Dairy Collaboration Project” designed to improve the profitability of dairy farming in Japan was implemented from 2014 to 2018. The “New Zealand Hokkaido Sheep Collaboration Project” was launched in 2018, and cooperation over the project has been promoted with the aim of vitalizing the sheep industry in Hokkaido.

D Cultural and People-to-People Exchanges

Approximately 20 university students from New Zealand visited Japan as part of JENESYS2019. More than 1,100 young people from New Zealand have now visited Japan through youth related programs as of 2019.

In addition, networking between sister cities is making progress with an aim to promote mutual

understanding among the youth. Furthermore, the New Zealand Government sponsored “Game On English” which extends support to English language education for Japanese students through rugby and boating. Under this program, 30 Japanese students were invited to New Zealand in 2019.

E Cooperation in the International Community

The two countries are cooperating closely for the peace and stability of the international community, including the UN. In particular, against illicit maritime activities, including ship-to-ship transfers by North Korea-flagged vessels, which are prohibited by UN Security Council resolutions, New Zealand conducted monitoring and surveillance activities by aircraft based in Kadena Air Base in October. Furthermore, Japan and New Zealand have collaborated in regional cooperation frameworks such as the East Asia Summit (EAS), the ASEAN Regional Forum (ARF), APEC, and the Pacific Islands Leaders Meeting (PALM). They are also cooperating over economic development in the Pacific Island region. Through these efforts, the two countries are playing a proactive role for the regional stability and development.

(3) Pacific Island Countries (PICs)

A Brief Summary and Overview

Pacific Island countries and Japan are bound by the Pacific Ocean, have deep historical ties, and are important partners in such areas as cooperation in the international arena and the supply of fishery and mineral resources. They are becoming increasingly important as a cornerstone of a “Free and Open Indo-Pacific,” as they are located at the heart of the Pacific Ocean. Japan has been holding Pacific Islands Leaders Meeting (PALM) once every three years since 1997, and the Eighth Pacific Islands Leaders Meeting (PALM8) was held in May 2018. Furthermore, high-level officials from Japan have been constantly attending the Pacific Islands Forum (PIF) Post Forum Dialogue since its inception in 1989. Japan has been further

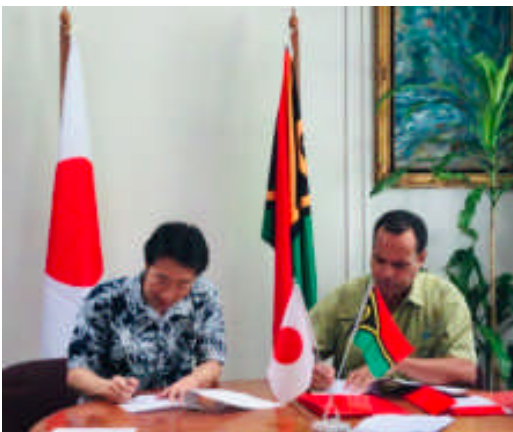
strengthening its relations with Pacific Island countries through visits at various levels on the occasions of these international conferences, economic cooperation, and active people-to-people exchanges.

B Interagency Committee for the Promotion of Cooperation with Pacific Island Countries

In February 2019, the first meeting of the Interagency Committee for the Promotion of Cooperation with Pacific Island Countries, which is comprised of relevant governmental ministries and agencies, was held under the leadership of Special Advisor to the Prime Minister Sonoura and Special Advisor to the Prime Minister Izumi, and concrete measures to strengthen relations with Pacific Island countries were discussed. At the second meeting held in May, a policy direction of strengthening ties with Pacific Island countries was adopted to maintain and promote a regional environment that undergirds a “Free and Open Indo-Pacific” such as through ensuring safety and security, resilient and sustainable development, and active people-to-people exchanges.

C Mutual VIP Visits

In August, Foreign Minister Kono visited Fiji, Palau, Micronesia, and the Marshall Islands, marking the first visit in 32 years by a Foreign Minister of Japan. In Fiji, he delivered a speech on Japan’s



Parliamentary Vice-Minister for Foreign Affairs Nakayama signing a memorandum of cooperation for disaster recovery during a trip to Vanuatu (December 16, Vanuatu)

policy toward Pacific Island countries. In addition, Special Advisor to the Prime Minister Sonoura visited Palau, Micronesia, and the Marshall Islands in January; Samoa and Fiji in June; and Palau in August. Parliamentary Vice-Minister for Foreign Affairs Nakayama visited Palau in October (for the ceremony of Palau’s 25th Independence Day Celebration) as well as Vanuatu and Tonga in December.

In September, Prime Minister Bainimarama of Fiji visited Japan to watch the Rugby World Cup 2019. Prime Minister Tuilaepa of Samoa visited Japan in October, where he held talks with Prime Minister Abe. President Remengesau of Palau visited Japan in January, March, July, October, November, and December, and held summit meetings on two occasions. President Panuelo of Micronesia visited Japan in October and November and had summit meetings with Prime Minister Abe. In addition, numerous governors and heads of state from Pacific Island countries visited Japan for the Ceremony of the Enthronement of His Majesty the Emperor in October.

D Relationship with Pacific Islands Forum (PIF)

In August, the Pacific Islands Forum Leaders Meeting was held in Tuvalu, and Parliamentary Vice-Minister for Foreign Affairs Suzuki attended the Post Forum Dialogue as a Special Envoy of the Prime Minister. Japan’s policy is to strengthen its commitment to the Pacific Island region, which is important for a “Free and Open Indo-Pacific.” To this end, Japan announced that it will continue to strengthen concerted, nationwide initiatives in the three areas of ensuring safety and security, resilient and sustainable development, and active people-to-people exchanges. During his stay in Tuvalu, Parliamentary Vice-Minister for Foreign Affairs Suzuki held talks with Prime Minister Sopoaga of Tuvalu, and also with the key officials of various Pacific Island countries who attended the Post Forum Dialogue. In addition, he visited Solomon Islands, where he paid a courtesy call on Prime Minister Sogavare of Solomon Islands.

E Cultural and People-to-People Exchanges

As part of efforts to invigorate and enhance the people-to-people exchanges announced at PALM8 in 2018, people-to-people exchanges were promoted among students through JENESYS. Furthermore, from FY2016 Japan commenced the Pacific Leaders' Educational Assistance for Development of State (Pacific-LEADS) for young government administrators of Pacific Island countries, and it continues to accept administrators from Pacific Island countries.

7 Regional and Inter-regional Cooperation

The Asia-Pacific region is one of the world's growth centers, and realizing a peaceful and prosperous region is one of the priority issues in Japan's diplomacy. From this perspective, Japan places a high priority on working with its neighbors to achieve a rules-based "Free and Open Indo-Pacific" (FOIP) based on international law through various regional cooperative frameworks, including Japan-ASEAN, Japan-Mekong cooperation, ASEAN+3 (Japan, China and the ROK), East Asia Summit (EAS), Japan-China-ROK trilateral cooperation, and Asia-Pacific Economic Cooperation (APEC), while maintaining the Japan-U.S. Alliance as the cornerstone of its foreign policy. In addition, in pursuing synergy between the FOIP and the ASEAN Outlook on the Indo-Pacific (AOIP) adopted by ASEAN in June, Japan intends to enhance cooperation with the countries of ASEAN and contribute to the stability and prosperity of the Indo-Pacific region as a whole by respecting the centrality and unity of ASEAN (see the Special Feature on page 81).

(1) The Association of Southeast Asian Nations (ASEAN)

At the ASEAN-related Summit Meetings held in November 2015 (Kuala Lumpur, Malaysia), it was declared that the three councils of the "ASEAN Political-Security Community Council," the "ASEAN Economic Community Council," and the "ASEAN Socio-Cultural Community Council" (Kuala Lumpur Declaration on the Establishment of the ASEAN Community) would be established by the end of 2015. Also, "ASEAN2025: Forging Ahead Together" was adopted as a guiding policy for the ASEAN Community for the 10 years from 2016 to 2025. In East Asia where ASEAN plays an important role as a center of regional cooperation, a multi-layered regional cooperation, such as ASEAN+3 (Japan, China and the ROK), East Asia Summit (EAS), and ASEAN Regional Forum (ARF), is operating with ASEAN at its center, and cooperative relationships in a wide range of areas including politics, security and the economy have been established. On the economic front, ASEAN has concluded the ASEAN Free Trade Area (AFTA) as well as other EPAs and FTAs with various countries including Japan, China, the ROK and India, thereby expanding the ASEAN-centered free trade zone. With regard to the Regional Comprehensive Economic Partnership (RCEP), the goal is to sign this within 2020 based on the Joint Leaders' Statement from November 2019.

ASEAN is situated in a geopolitically important location and faces important sea lanes for Japan. Its stability and prosperity deeply affects not only those of the East Asian region but also of the international community. Therefore, it is important for the entire international community, including Japan, that ASEAN advances its integration in accordance with values such as the rule of law.

Special
Feature

ASEAN Outlook on the Indo-Pacific: the Indo-Pacific Vision of ASEAN, by ASEAN, for ASEAN

A free and open Indo-Pacific based on the rule of law, founded upon the peace and prosperity of the region-ASEAN member states, which lie at the intersection of the Indian and Pacific Oceans, adopted the ASEAN Outlook on the Indo-Pacific (AOIP) at the ASEAN Summit held in June, demonstrating their unity and centrality.

The AOIP sets out the following objectives to contribute to the maintenance of peace, freedom and prosperity: (1) Offer an outlook to guide cooperation in the region; (2) Strengthen confidence and trust; (3) Strengthen the existing ASEAN-led mechanisms; and (4) Explore other ASEAN priority areas of cooperation. The AOIP advocates promoting cooperation in fields such as maritime cooperation, connectivity, the SDGs, and economic and other possible areas of cooperation, based on the principles of strengthening ASEAN Centrality, openness, transparency, inclusivity, a rules-based framework, good governance, respect for sovereignty, non-intervention, complementarity with existing cooperation frameworks, equality, mutual respect, mutual trust, mutual benefit, and respect for international law such as UN Charter, the 1982 UN Convention on the Law of the Sea (UNCLOS), and other relevant UN treaties and conventions.

Since Prime Minister Abe's declaration in 2016 of the concept of a "Free and Open Indo-Pacific" (FOIP), Japan has been advancing initiatives toward (1) the promotion and establishment of fundamental principles such as the rule of law, freedom of navigation and free trade, (2) the pursuit of economic prosperity, and (3) ensuring peace and stability. Against this backdrop, it is epochal that ASEAN itself has published the AOIP with a view to strengthening connectivity in the Indo-Pacific. Japan has declared its full support for the AOIP, and will cooperate with ASEAN toward its realization. At the same time, Japan aims to pursue synergy of the FOIP, the AOIP, and other initiatives by countries that share the same purpose, as well as to contribute to the overall stability and prosperity of the Indo-Pacific region.

Japan and ASEAN have already launched concrete cooperation initiatives that demonstrate the synergy between FOIP and the AOIP. To date, Japan has engaged in numerous concrete cooperation projects to strengthen maritime law enforcement capability through means such as the provision and dispatch of patrol boats and other means, and enhancing connectivity by developing the East-West and Southern Economic Corridors, which contribute to the economic growth of the Mekong region. On top of these, Prime Minister Abe announced the launch of the Initiative on Overseas Loan and Investment for ASEAN to provide financial backing to the Joint Statement of the 22nd ASEAN-Japan Summit on Connectivity, issued at the ASEAN-Japan Summit held in November. Under this Initiative, Foreign Minister Motegi announced in December that the initiative aims at mobilizing 3 billion US dollars from public and private sectors over the next three years (2020-2022), including through a total of 1.2 billion US dollars overseas loan and investment for ASEAN by JICA in the fields of quality infrastructure development, improving financial access and supporting women, and green investment. Furthermore, the Japan-ASEAN Technical Cooperation Agreement was signed in May, enabling the implementation of technical cooperation for ASEAN as a whole. The first project under this agreement was the Training in Cyber Security, in January 2020.

In line with the principles established in the AOIP, Japan will promote cooperation with ASEAN countries more than ever before in the areas of strengthening maritime security based on the rule of law, strengthening connectivity through quality infrastructure, and the sustainable use of marine resources including measures to combat illegal fishing. Japan will work together with all ASEAN countries toward the realization of a free and open Indo-Pacific.



Foreign Minister Motegi announcing the details of the Initiative on Overseas Loan and Investment for ASEAN, at the 1st Tokyo Global Dialogue (December, Tokyo)



Dispatch of patrol boats to Indonesia (July 2018; Photo: Japan Coast Guard)



Human resource development in the area of disaster prevention - Training on standing by without sleep. Photo: AHA Centre*

*ASEAN coordinating Centre for Humanitarian Assistance on Disaster Management

(2) Issue of the South China Sea

The issue with regard to the South China Sea is directly related to the peace and stability of the region and is a legitimate concern of the international community. As a stakeholder that makes use of the South China Sea, the issue is also an important matter of concern for Japan, which depends for most of its resources and energy on sea transport. It is necessary for the international community to cooperate toward the maintenance and development of open and stable seas.

In the arbitration proceedings instituted by the Government of the Philippines as to the disputes between the Philippines and China regarding the South China Sea under the United Nations Convention on the Law of the Sea (UNCLOS), the Arbitral Tribunal rendered the final award on July 12, 2016. Japan issued a statement by the Foreign Minister on the same day, stating that, “As the Tribunal’s award is final and legally binding on the parties to the dispute under the provisions of UNCLOS, the parties to this case are required to comply with the award. Japan strongly expects that the parties’ compliance with this award will eventually lead to the peaceful settlement of disputes in the South China Sea.”

In 2019, China further continued unilateral actions that challenge the status quo and escalate tensions as well as attempts to render the resulting of such conduct *faits accomplis*; for instance, it deploys on disputed features a missile system that captures almost the entire South China Sea in its range and conducts anti-ship ballistic missile test launches. The international community including Japan has expressed serious concern over these actions. Japan has to date consistently supported the full adherence to the rule of law in the South China Sea, and places importance on freedom of navigation and overflight as well as assistance for safe sea lanes. Japan has also emphasized the importance for all the concerned parties related to the South China Sea to work toward peaceful settlement of disputes based on international law, as reflected in the UNCLOS. Furthermore,

Japan has pointed out that China’s claims to “historical rights” over the South China Sea lack a clear basis under international law, and that such rights were also clearly dismissed in the final arbitration award against China that was announced in 2016. Japan has also pointed out that China’s claims to its baseline in the South China Sea issues are inconsistent with UNCLOS. In 2018, negotiations on the Code of Conduct (COC) in the South China Sea commenced between China and ASEAN. Japan has advocated for the importance of such efforts leading to demilitarization of the area and to the realization of a peaceful, open South China Sea.

(3) Japan-ASEAN Relations

ASEAN exerts its centrality and is the engine of various regional cooperation. Therefore, realizing a more stable and prosperous ASEAN is absolutely essential to the stability and prosperity of the region as a whole. Based on this recognition, Japan has announced that it will actively support ASEAN’s efforts in accordance with “ASEAN Community Vision 2025” for further integration even after the establishment of the ASEAN Community, while steadily implementing the “Vision Statement on ASEAN-Japan Friendship and Cooperation” and the “Joint Statement” that were both adopted at the ASEAN-Japan Commemorative Summit Meeting held in Tokyo in 2013.

In 2019, through the Japan-ASEAN Foreign Ministers’ Meeting held in August and the 22nd Japan-ASEAN Summit Meeting held in November in Thailand, the ASEAN Chair, the participants affirmed that they would continue to further strengthen cooperative relations over a broad range of fields. At the Japan-ASEAN Summit Meeting in November, Prime Minister Abe announced full support for the ASEAN Outlook on the Indo-Pacific (AOIP), which ASEAN adopted under its own initiative in June. At the same time, he also stated that Japan would pursue synergy between AOIP and Japan’s concept for



Prime Minister Abe speaking at the Japan-ASEAN Summit Meeting (November 4, Bangkok, Thailand; Photo: Cabinet Public Relations Office)

a “Free and Open Indo-Pacific” (FOIP), while also continuing to strengthen cooperative relations between Japan and ASEAN. In addition to a Chairman’s Statement released at this Summit Meeting, the Joint Statement of the Japan-ASEAN Summit Meeting on Connectivity was released with the approval of all of the participating countries. It was also affirmed that the parties would continue working together with ASEAN to achieve a “Free and Open Indo-Pacific.” What is more, in order to lend its support to this Joint Statement financially, Prime Minister Abe announced the launch of the Initiative on Overseas Loan and Investment for ASEAN. He stated that Japan would aim to mobilize funds including private sector funds and was prepared to double the investment and loans of JICA with the focus on the ASEAN region in the fields of quality infrastructure, financial access, support for women, and green investment. In addition, he made mention of the Japan-ASEAN Technical Cooperation Agreement, stating that as the first project under the Agreement, Training in Cyber Security would be implemented in Japan in January 2020.

On the security front, Prime Minister Abe stated in regards to defense cooperation that Japan would promote cooperation under the Vientiane Vision (Japan’s Defense Cooperation Initiative with ASEAN), focusing primarily on the areas of humanitarian assistance, disaster relief, and maritime security. Regarding regional and international affairs, concerning North Korea, Prime

Minister Abe stated that no time can be lost in rescuing the abductees and asked for the continued understanding and cooperation of ASEAN countries toward the early resolution of the abductions issue. Regarding the South China Sea issue, he expressed Japan’s serious concern about the present situation in the South China Sea, while noting the necessity for ASEAN countries to call for improvements in one voice in the worsening present situation. He also stated that Japan would continue to spare no effort in offering maximum cooperation.

On the economic front, through official development assistance (ODA) and the Japan-ASEAN Integration Fund (JAIF), Japan has supported the deepening of ASEAN integration in a variety of areas, including support for narrowing the economic disparities within the region by enhancing ASEAN Connectivity. At the Japan-ASEAN Summit Meeting in Thailand in November, Prime Minister Abe welcomed the signing of the First Protocol to Amend the Agreement on Comprehensive Economic Partnership among Japan and Member States of the Association of Southeast Asian Nations, and stated his hopes for its early entry into force in order to further promote trade in services and investment.

In addition, Prime Minister Abe shared a number of Japanese initiatives and made positive mention of Japan-ASEAN cooperation that was being deployed across a wide range of areas. Examples of this include the launch of a public-private sector council for the ASEAN Smart Cities Network (ASCN) High Level Meeting, the Japan-ASEAN Transport Partnership Initiative, the Fourth Industrial Revolution (4IR) Dialogue, “WA Project: Toward Interactive Asia through Fusion and Harmony” (Asia Center of the Japan Foundation), Sports for Tomorrow, and more.

At the Summit Meeting, the ASEAN side expressed their gratitude and support for the Initiative on Overseas Loan and Investment for ASEAN, which is a recent, new initiative of Japan, as well as the Training in Cyber Security, which

is the first project based on the Japan-ASEAN Technical Cooperation Agreement. In addition, the ASEAN side also offered its appreciation of the Asia Center of the Japan Foundation and expressed its hopes regarding future activities of the center. In addition, it also expressed its gratitude for Japan's cooperation toward ASEAN that includes initiatives such as the ASEAN Smart Cities Network (ASCN) High Level Meeting (Yokohama) held in October, the creation of the Fourth Industrial Revolution (4IR) Dialogue, the hosting of ASEAN-Japan Day (Hanoi, Viet Nam), and JENESYS.

(4) Mekong-Japan Summit Meeting **(Participating Countries: Cambodia, Laos, Myanmar, Thailand, Viet Nam and Japan)**

The Mekong region (Cambodia, Laos, Myanmar, Thailand and Viet Nam), situated in a strategic location for land and sea transport, is a promising partner for further growth, which has been achieving strong economic growth. Peace and prosperity in the Mekong region are extremely important to Asia as a whole, including Japan, since it will contribute to narrowing economic disparity and promoting regional integration within ASEAN. The development of hardware infrastructure has progressed in recent years in the Mekong region, and there has been a steady increase in the number of Japanese companies expanding their businesses in the region, as well as direct investment from Japan, which testifies to great expectations for the further stimulation of economic activities in the future.

The Mekong-Japan Initiative for SDGs toward 2030 was adopted at the 11th Mekong-Japan Summit Meeting held in Bangkok, Thailand, in November 2019. It was announced that under this initiative, the countries of the Mekong region and Japan would establish environmental and urban issues, sustainable natural resource management and utilization, and inclusive growth as priority areas and work to achieve the SDGs in the Mekong region. The heads of state of Mekong

countries expressed their gratitude for Japan's continued support and welcomed the fact that Japan became a development partner to the Ayeyawady - Chao Phraya - Mekong Economic Cooperation Strategy (ACMECS) in 2019. Japan will continue to contribute to the prosperity and development of the Mekong region as a trusted partner for Mekong countries.

The year 2019, which marked the 10th anniversary of the 2009 "Mekong-Japan Exchange Year" between Japan and Mekong countries was designated as "Mekong-Japan Exchange Year 2019." More than 170 exchange programs were held in wide-ranging fields including politics, economy, and culture in Japan and Mekong countries.

(5) ASEAN+3 (Participating Countries: 10 ASEAN countries and Japan, China, and the ROK)

The Asian financial crisis in 1997 prompted the launch of ASEAN+3, in the form of adding the three countries of Japan, China, and the ROK to ASEAN. ASEAN+3 has been developed with a focus on areas such as finance and food security. It currently covers cooperation in 24 fields, including finance, agriculture and food, education, culture, tourism, public health, energy, and the environment. Under the "ASEAN+3 Cooperation Work Plan (2018-2022)" adopted in August 2017, the ASEAN+3 member states have been making further progress on cooperation in various fields.

At the 22nd ASEAN+3 Summit Meeting held in Thailand in November, Prime Minister Abe welcomed the ASEAN Outlook on the Indo-Pacific (AOIP). He also mentioned Japan's intention to pursue synergy between Japan's FOIP and the AOIP, as well as to contribute to improving connectivity with a view toward achieving a "Free and Open Indo-Pacific" (FOIP). Moreover, he stated that in light of the fact that quality infrastructure investments enhance regional connectivity and bring about sustainable economic growth, the promotion of projects related to ASEAN connectivity ought to be done in accordance with

the G20 Principles for Quality Infrastructure Investment approved at the G20 Osaka Summit. In addition to this, he stated that Japan would continue to promote ASEAN+3 cooperation in the fields of marine plastic litter and trade areas through ASEAN+3 cooperation.

Prime Minister Abe strongly condemned the launches of ballistic missiles by North Korea, which are clear violations of UN Security Council resolutions. He also stated that it was important that the international community remained united to support the U.S.-North Korea process toward the denuclearization of the Korean Peninsula, and that it is critical to maintain full implementation of the UN Security Council resolutions. In addition, he asked for continued understanding and cooperation toward the early resolution of the abductions issue.

(6) East Asia Summit (EAS) (Participating Countries: 10 ASEAN countries and Japan, China, the ROK, Australia, New Zealand, India, the U.S. and Russia)

Launched in 2005, the EAS is the premier forum of the region, which aims to facilitate candid dialogue among leaders on issues of importance to the region and the international community, and to promote leaders-led cooperation in politics, security, and economy. Moreover, many democratic nations take part in the EAS, and it is expected that the EAS will contribute to the sharing of fundamental values in the region, including democracy and the rule of law, as well as to strengthening international rules and norms concerning trade and investment.

A The 9th EAS Foreign Ministers' Meeting

At the 9th EAS Foreign Ministers' Meeting held in Thailand in August, Foreign Minister Kono welcomed the adoption of the ASEAN Outlook on the Indo-Pacific (AOIP). He also stated that Japan would continue to provide cooperation in accordance with the international standard affirmed via the G20 Principles for Quality Infrastructure

Investment in order to achieve a "Free and Open Indo-Pacific" (FOIP). He also stated Japan's positions regarding the issues of North Korea and the South China Sea.

Regarding North Korea, Foreign Minister Kono expressed his regret at North Korea's launches of ballistic missiles. He stressed the importance of supporting the U.S.-North Korea process to achieve complete, verifiable and irreversible dismantlement of all weapons of mass destruction and ballistic missiles of all ranges in accordance with the UN Security Council resolutions as well as of fully implementing the UN Security Council resolutions. He also expressed his expectation for EAS's continued cooperation toward the early resolution of the abductions issue.

Foreign Minister Kono announced that he holds serious concern regarding the worsening conditions with regard to the issue of the South China Sea. He went on to express his strong opposition to unilateral attempts to change the status quo, as well as intimidation against other countries, and called for both demilitarization and a peaceful resolution of disputes. In addition, he emphasized that the Code of Conduct (COC) in the South China Sea that is currently being negotiated between ASEAN and China must not prejudice the legitimate rights and interests of third parties.

Regarding the situation of the Rakhine State in Myanmar, Foreign Minister Kono emphasized the need for direct dialogue between Myanmar and Bangladesh in order to achieve the prompt resettlement of the displaced persons. In addition, while emphasizing the importance of providing support for the displaced persons and their host communities and calling upon Myanmar to create an environment conducive to their return, he also expressed his appreciation for the growing role being played by ASEAN regarding the issue.

B The 14th EAS

At the 14th EAS held in Thailand in November, discussions were carried out over modalities for the Indo-Pacific region, as well as its politics and



EAS Meeting (November 4, Bangkok, Thailand;
Photo: Cabinet Public Relations Office)

security. Prime Minister Abe noted that a “Free and Open Indo-Pacific” (FOIP) based on the rule of law serves as a cornerstone for regional peace and stability. He also welcomed the issuance of the ASEAN Outlook on the Indo-Pacific (AOIP) by ASEAN itself, and announced that Japan would provide full support for this. He also expressed Japan’s desire to achieve synergy with Japan’s FOIP, and to continue cooperating to materialize the AOIP. In addition, he stated that an open and fair economic order based on international rules is one of the cornerstones for regional peace and prosperity, while also proclaiming the importance of the basic principles and the G20 Principles for Quality Infrastructure Investment affirmed at the G20 Osaka Summit.

With regard to North Korea, Prime Minister Abe strongly condemned the launches of ballistic missiles by North Korea, and highlighted the importance of the unity of the international community in supporting the U.S.-North Korea process to achieve the CVID (complete, verifiable and irreversible dismantlement) of all weapons of mass destruction and ballistic missiles of all ranges by North Korea, in accordance with the UN Security Council resolutions, and stated that it was crucial to maintain full implementation of the UN Security Council resolutions. In addition, he asked for cooperation for the early resolution of the abductions issue. In response, many of the participating countries noted on the importance of a peaceful resolution through complete denuclearization and dialogue. Several countries condemned the missile launches and mentioned the importance of North Korea’s compliance with

the UN Security Council resolutions.

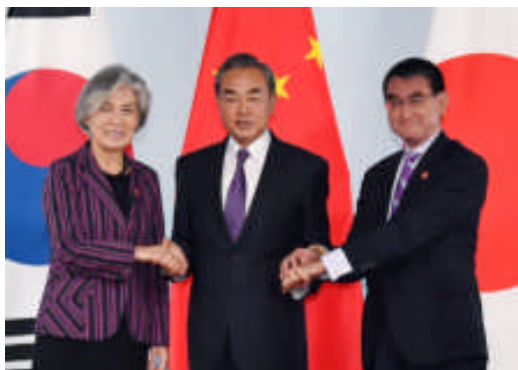
Regarding the issue of the South China Sea, Prime Minister Abe stated that Japan has taken up the challenge of regional peace and prosperity, and therefore shares serious concerns over the matter with the EAS participating countries. He went on to express his strong opposition to all unilateral attempts to change the status quo, as well as intimidation against other countries, and urged both demilitarization and a peaceful resolution of disputes in accordance with the international law. In addition, he stated that the Code of Conduct (COC) in the South China Sea must be consistent with international law, as reflected in the UNCLOS, and it must not prejudice the legitimate rights and interests of any of the stakeholders. Furthermore, he expressed Japan’s support for the basic principles set forth by ASEAN of “full respect for legal and diplomatic processes,” “freedom of navigation,” and “the importance of demilitarization and self-restraint.”

(7) Japan-China-ROK Trilateral Cooperation

Trilateral cooperation among Japan, China, and the ROK continues to be vital from the perspective of promoting exchange and mutual understanding among the three countries that enjoy geographical proximity and share deep historical ties. Furthermore, as economies that play a major role in the world economy and serve as the motive force driving the prosperity of the East Asian region, trilateral cooperation among Japan, China, and the ROK is one of the areas of cooperation which has huge latent potential in efforts to tackle various issues in the international community.

A Japan-China-ROK Trilateral Foreign Ministers’ Meeting

The Ninth Japan-China-ROK Trilateral Foreign Ministers’ Meeting was held in Gubei Water Town in the suburbs of Beijing, China, with China serving as the chair. The three foreign ministers of Japan, China, and the ROK praised the fact that this Japan-China-ROK Trilateral

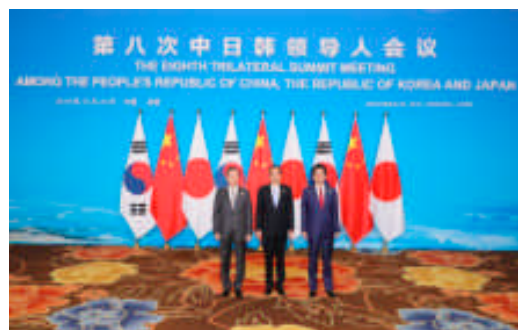


Japan-China-ROK Trilateral Foreign Ministers' Meeting (August 22, Beijing and Gubei Water Town, China)

Foreign Ministers' Meeting was held in this crucial year, which marked the 20th anniversary since the beginning of their cooperation. They also affirmed the steady progress made with trilateral cooperation in a wide range of areas due to the Japan-China-ROK Trilateral Foreign Ministers' Meeting, which was the first held in about three years, and discussed the current state of specific cooperation and the course for future cooperation. Foreign Minister Kono emphasized the need to comply with and promote the G20 Principles for Quality Infrastructure Investment, as well as the importance of people-to-people exchanges. In particular, he appealed for the expansion of people-to-people exchanges afforded by the opportunity of the Olympic and Paralympic Games, which have been hosted in relay-fashion by the three countries. In addition, he also welcomed the developments seen in academic exchanges, such as with "Campus Asia" (a plan to enhance exchanges between universities in Japan, China, and the ROK).

B Japan-China-ROK Trilateral Summit

The Eighth Japan-China-ROK Trilateral Summit was held in Chengdu, China, in December. The three leaders summarized their trilateral cooperation to date and discussed the direction for future cooperation over the coming decade in this crucial juncture marking the 20th anniversary of Japan-China-ROK cooperation. In particular, they agreed to continue promoting trilateral



Japan-China-ROK Trilateral Summit (December 24, Chengdu, China; Photo: Cabinet Public Relations Office)



Prime Minister Abe speaking at the Japan-China-ROK Trilateral Summit (December 24, Chengdu, China; Photo: Cabinet Public Relations Office)

cooperation centered around cooperation in the three areas of the environment, the aging of society, and people-to-people exchanges. In addition, they discussed the regional situation, including the situation of North Korea. Prime Minister Abe stated that Japan would implement the contents of the agreement reached by the three countries, as representatives of Asia, moving forward, and would promote them to the world, including Asia, based on the G20 Osaka Leaders' Declaration adopted at the G20 Osaka Summit that included consensus in the areas of trade, investment, quality infrastructure investment, and marine plastic litter. In addition, the three leaders also exchanged their views on the international situation as well.

(8) Asia-Pacific Economic Cooperation (See Chapter 3, Section 3, 2-(3))

Consisting of 21 economies (countries and regions) in the Asia-Pacific region, APEC promotes regional economic integration and

cooperation across the region among the member economies on a voluntary basis. As the Asia-Pacific region is positioned as the “world’s growth center,” strengthening economic cooperation and trust in the economic aspect in this region is very important in pursuing Japan’s further economic development.

At APEC Chile 2019, Japan, which chaired the G20 in 2019, coordinated with Chile, the APEC Chair, through sharing the outcomes of the G20 Osaka Summit which are related to issues such as the digital economy, marine plastic litter, and women’s empowerment. The APEC Economic Leaders’ Meeting which was scheduled in November 2019 was canceled due to domestic instability in Chile. Meanwhile, at meetings including the APEC Ministers Responsible for Trade Meeting held in May 2019 in Chile, Japan announced that it would continue to contribute as a standard-bearer of free trade in aiming for the growth and development of the Asia-Pacific region as a whole as it is the core of a “Free

and Open Indo-Pacific,” which Japan has been promoting.

(9) South Asian Association for Regional Cooperation (SAARC)

SAARC was officially inaugurated in 1985 with multiple objectives such as enhancing the welfare of citizens of the South Asian countries, and cooperation and collaboration in economic and social development and cultural areas. As of 2019, SAARC has eight member states (India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives, and Afghanistan) and nine observer countries and institutions including Japan. As a relatively loose framework of regional cooperation, SAARC has worked primarily on economic, social and cultural areas, through summit meetings and meetings of the Council at the ministerial level (foreign ministers’ meetings). As part of youth exchange between Japan and SAARC, Japan has invited around 3,615 people to date (162 people in FY2019).