

Section 2

Asia and Oceania

1 Overview

(General overview)

The Asia-Oceania region includes not only the second and third largest economies in the world, China and Japan, but also numerous emerging countries with remarkable growth. It is a dynamic region where diverse cultures and races intermingle and influence each other. 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) member states (excluding the U.S. and Russia).¹ This represents about 48% of the world's population.² 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%.³ Total exports and imports of EAS member states (excluding the U.S. and Russia) are 10.15 trillion US dollars (2019), making it comparable to the EU (11.25 trillion US dollars).⁴ There are close economic ties among these nations, and they have a high degree of economic interdependence.



Prime Minister Suga and his wife visiting Viet Nam (October 19; Photo: Cabinet Public Relations Office)



Prime Minister Suga and his wife visiting Indonesia (October 20; Photo: Cabinet Public Relations Office)

Further economic growth is expected, and this strong growth within the region will also help to bring renewed affluence and vitality to Japan.

Meanwhile, the security environment in the

- 1 ASEAN (member states: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam), Japan, China, the ROK, India, Australia and New Zealand
- 2 The State of World Population 2019
- 3 World Bank (WB)
- 4 International Monetary Fund (IMF)

Asia-Oceania region is becoming increasingly severe as seen in the following developments: the nuclear and missile development by North Korea; the strengthening and modernization of military forces in a manner that lacks transparency and attempts to change the status quo in the region by force or coercion that goes against the rule of law and openness; and tension within the region growing over the maritime issues. Other factors hindering the stable growth of the region include economic and financial systems still under development, 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 of its diplomacy, and has been actively engaging in diplomacy including at the leaders' and foreign ministers' levels. In 2020, due to the impacts of the novel coronavirus disease (COVID-19), visits to other countries were severely restricted, but, even under such circumstances, the prime minister and foreign minister of Japan, in addition to face-to-face diplomacy, actively held telephone calls and teleconferences to maintain and develop good relations with neighboring countries. Regarding relations with Asia-Oceania countries, Prime Minister Abe actively discussed measures against infectious diseases in the region, such as by attending the Special ASEAN Plus Three (Japan-China-ROK) Summit on Coronavirus Disease 2019 (COVID-19). Prime Minister Abe also held bilateral telephone calls with ASEAN countries and Australia. In July, Prime Minister Abe held a Japan-Australia leaders video teleconference meeting to exchange views on various issues such as responses to COVID-19. Since the inauguration of the new Cabinet in September, Prime Minister Suga has held telephone calls with

Australia, China, the Republic of Korea (ROK) and many other Asia-Oceania countries, and has built relationships of trust with the leaders of each country. In October, Prime Minister Suga visited Viet Nam and Indonesia as his first overseas visits since taking office, and Prime Minister Suga declared that Japan would continue to take the lead in contributing to regional peace and prosperity as an "Indo-Pacific nation," while also clarifying Japan's determination to steadily realize a "Free and Open Indo-Pacific (FOIP)." In November, Prime Minister Suga participated in ASEAN-related Summits that were held via teleconference (the Japan-ASEAN Summit Meeting, the Mekong-Japan Summit Meeting, the ASEAN Plus Three (Japan-China-ROK) Summit Meeting, the East Asia Summit (EAS), and the Regional Comprehensive Economic Partnership (RCEP) Summit). At the Japan-ASEAN Summit Meeting, the "Joint Statement of the 23rd ASEAN-Japan Summit on Cooperation on ASEAN Outlook on the Indo-Pacific (AOIP)⁵" was adopted, and it confirmed that AOIP and FOIP share fundamental principles. Based on the Joint Statement, Japan is pursuing concrete cooperation to support ASEAN's efforts. At the Regional Comprehensive Economic Partnership (RCEP) Summit, the RCEP Agreement was signed. Furthermore, in the latter half of November, Prime Minister Suga had a summit meeting with Australian Prime Minister Morrison, who was visiting Japan, and also had a summit telephone call with New Zealand Prime Minister Ardern, who was reappointed as Prime Minister. In January, Foreign Minister Motegi visited Viet Nam, Thailand, the Philippines and Indonesia, and in August he visited Malaysia, Singapore, Cambodia, Laos and Myanmar, as well as visited Papua New Guinea in addition to his visits to ASEAN countries. In January, Foreign

5 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. Based on this, it promotes cooperation in the areas of maritime cooperation, connectivity, the SDGs, and economic and other possible areas.

Minister Motegi attended the Japan-U.S.-ROK Foreign Ministers' Meeting in the U.S. and also met with Minister of Foreign Affairs Kang Kyung-wha of the ROK. In March, Foreign Minister Motegi participated in the Japan-China-ROK Foreign Minister's Video Teleconference on COVID-19. In September, Foreign Minister Motegi also actively attended ASEAN-related Foreign Minister's Summits that were held via teleconference (the Japan-ASEAN Ministerial Meeting, the ASEAN Plus Three Foreign Ministers' Meeting, the East Asia Summit (EAS) Foreign Ministers' Meeting, and the ASEAN Regional Forum (ARF) Ministerial Meeting). In October, the Second Japan-Australia-India-U.S. Foreign Ministers' Meeting was held in Tokyo, which was the first ministerial level international conference to be held after the spread of COVID-19, and a Japan-Australia Foreign Ministers' Meeting with Australian Minister for Foreign Affairs Marise Payne and the 13th Japan-India Foreign Ministers' Strategic Dialogue with Indian External Affairs Minister Subrahmanyam Jaishankar were also held. In November, Chinese State Councilor and Foreign Minister Wang Yi visited Japan and Foreign Minister Motegi met with him. In parallel with these diplomatic activities and despite the COVID-19 restrictions, Foreign Minister Motegi held telephone calls with many Asia-Oceania countries, maintaining and developing close cooperation with each country.

Japan is strengthening various cooperation in the Asia-Oceania region, and, in addition to continued Japan-ASEAN cooperation on AOIP, Japan will make meaningful use of various cooperative frameworks such as Japan-China-ROK trilateral 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 and until the end of 2020, more than 50 Summit Meetings, including telephone calls, were held. 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, even when the movement of people is restricted due to COVID-19. In July, Mr. Stephen E. Biegun, U.S. Deputy Secretary of State and Special Representative for North Korea of the United States, who was the first foreign dignitary to come to Japan after the spread of COVID-19, paid a courtesy call to Foreign Minister Motegi, and confirmed that Japan and the U.S. will work together to maintain and strengthen the "Free and Open Indo-Pacific" even amidst the spread of COVID-19. In October, when U.S. Secretary of State Mike Pompeo visited Japan to attend the Second Japan-Australia-India-U.S. Foreign Ministers' Meeting, he paid a courtesy call to Prime Minister Suga and confirmed that Japan and the U.S. will work closely with their like-minded countries toward the realization of a "Free and Open Indo-Pacific," including through the initiatives of the Japan-Australia-India-U.S. Foreign Ministers' Meeting. In January 2021, at the Japan-U.S. Summit telephone call between Prime Minister Suga and U.S. President Joe Biden, the two leaders agreed that it is important to strengthen U.S. presence in the Indo-Pacific Region and agreed to work closely toward the realization of a "Free and Open Indo-Pacific" as well as on a variety of regional issues.

(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 Japanese yen. In addition, approximately 600 million Japanese 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 Japanese 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 Japanese yen per person in the ROK and Taiwan, 1.2 million Japanese yen per person in the Philippines) (for a total of 5 million Japanese yen per person in the ROK and Taiwan, 3.2 million Japanese 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 regarded to be based on historical facts, such as 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:

"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.

Installations of comfort woman statues⁶ 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. The Government of Japan will continue reaching out to various people involved in this issue to explain its position.

The below Ministry of Foreign Affairs website details Japan's Efforts on the Issue of Comfort Women.

https://www.mofa.go.jp/policy/postwar/page22e_000883.html



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.

Continuing from 2019, North Korea launched ballistic missiles four times in March 2020, blew up the Inter-Korean Liaison Office in Kaesong in June, and in October, the military parade for the 75th anniversary of the founding of the Workers' Party of Korea (WPK) featured possible new intercontinental ballistic missiles (ICBM) and submarine-launched ballistic missiles (SLBM). Under such circumstances, Japan will continue to fully implement relevant UN Security Council resolutions and aim for the denuclearization of the Korean Peninsula, coordinating closely with the U.S. and the ROK and cooperating with the international community, including China and Russia.

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 Stockholm)⁷ 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

⁶ 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.

⁷ 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.

series of relevant UN Security Council resolutions.

A plenary meeting of the Central Committee of the WPK was convened from December 28 to 31, 2019. Chairman of the State Affairs Commission Kim Jong Un 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.” On October 10, 2020, a military parade was held for the 75th anniversary of the founding of the WPK and Chairman Kim stated that “We have built deterrence that can sufficiently control and manage any military threat that we may face” and that “We will continue to strengthen our war deterrent as a justified self-defense measure to deter, control, and manage all dangerous attempts and intimidatory actions by the hostile forces, including their nuclear threats that are continuously aggravating.” Additionally, the 8th Congress of the WPK was held from January 5 to 12, 2021. It was reported that Chairman Kim stated that defense capability must be constantly strengthened as long as the danger of war of aggression continues, referring to nuclear weapons that are smaller and lighter, and that have multiple warheads, and to the development and possession of nuclear submarines, hypersonic weapons and military reconnaissance satellites. Furthermore, the military parade in October 2020 and the military parade to commemorate the 8th Congress of the WPK in January 2021 featured possible new intercontinental ballistic missiles and submarine-launched ballistic missiles in addition to the weapons that can be seen as the ballistic missiles that had been test-launched in 2019.

North Korea repeatedly launched short-range ballistic missiles from May to November 2019, launched short-range ballistic missiles four times in March 2020, and launched ballistic missiles in March 2021. Some of these launches had the characteristic of flying at lower altitudes than conventional ballistic missiles on irregular trajectories. Such launches pose a serious challenge not only

to Japan but also to the international community and are totally unacceptable.

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. Aircraft of Canada, Australia and New Zealand, in addition to the U.S. engaged in monitoring and surveillance activities against illicit maritime activities, including ship-to-ship transfers, using Kadena Air Base. 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 Royal Canadian Navy frigate WINNIPEG and the Royal Australian Navy Frigate HMAS ARUNTA. 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, abductions by North Korea constitutes a universal issue among the international community as a violation of basic human rights. Additionally, as the families of the victims continue to age, there is no time to lose before we resolve the abductions issue. 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. In January 2021, Prime Minister Suga gave a policy speech where he stated that “concerning the abductions issue, which is a top priority for my administration, I will make utmost efforts to take the lead and collaborate closely with the United States and other countries concerned.”

(B) Initiatives by Japan

Following the nuclear test by North Korea in January 2016 and the launch of the ballistic 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 September 2020, Prime Minister Suga addressed the 75th Session of the United Nations General Assembly, declaring that “As the new Prime Minister of Japan, I am ready to meet with Chairman Kim Jong Un without any conditions. Establishing a constructive relationship between Japan and North Korea will not only serve the interests of both sides but will also greatly contribute to regional peace and stability.”

(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. 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. In addition, 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. During the Japan-U.S. Summit telephone call in September 2020, Prime Minister Suga expressed his intention to work resolutely toward the early resolution of the abductions issue, and asked for President Trump's continued full support. In a telephone call with President Biden in January 2021 as well, Prime Minister Suga asked for understanding and cooperation toward the early resolution of the abductions issue and President Biden offered his support.

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. During the Japan-China Summit telephone call in September 2020, Prime Minister Suga raised to President Xi the issue of addressing North Korea, including the abductions issue, and they confirmed that Japan and China would continue to cooperate with each other.

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. During the September 2020 Japan-ROK Summit telephone call, Prime Minister Suga asked for continued support for the resolution of the abductions issue. In response, President Moon Jae-in expressed his support for Japan's position on the abductions issue, and the two leaders reconfirmed the importance of Japan-ROK and Japan-U.S.-ROK cooperation.

At the United Nations Human Rights Council in June and at the UN General Assembly in December, the EU submitted the Joint Statement on DPRK Human Rights, which was co-sponsored by Japan, and it was adopted without a vote. In December, an informal UN Security Council consultation on the human rights situation in North Korea was held, and afterwards, like-minded countries, including Japan, issued a joint statement urging the early resolution of the abductions issue, particularly the immediate return of the abductees.

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

From 2018 to 2019, the U.S. and North Korea held two summit meetings as well as a meeting between President Trump and Chairman Kim in Panmunjom, and in October 2019 U.S.-North Korea working-level talks were convened in Stockholm (Sweden). However, in 2020 no concrete progress was made in dialogues between the U.S. and North Korea. On July 10, Kim Yo Jong, First Vice Department Director of the Central Committee of the WPK, issued a statement stating that "Unless there is a decisive change in the

position of the U.S., I think that a summit between the Democratic People's Republic of Korea and the U.S. is unnecessary this year and beyond, and will continue to be useless, at least to us." Additionally, in a report made at the 8th Congress of the WPK in January 2021, Chairman Kim reportedly stated that "No matter who comes to power in the U.S., the true nature of U.S. policy toward the Democratic People's Republic of Korea will never change. The key to establishing a new Democratic People's Republic of Korea-U.S. relationship is for the U.S. to withdraw its hostile policy."

In January, March, November and December 2020, the U.S. newly designated individuals and entities which are subject to sanctions for their involvement in the dispatch of overseas workers and cyberattacks by North Korea. The sanctions target entities in North Korea, as well as entities and individuals in third countries, including Russia and China.

(B) Inter-Korean Relations

In 2018 there have been great strides in inter-Korean relations, with three inter-Korean Summit Meetings, but, continuing on from 2019, there were no positive developments in inter-Korean relations in 2020.

At the end of January, the ROK and North Korea agreed to temporarily close the Inter-Korean Joint Liaison Office in Kaesong until the danger from COVID-19 was completely eliminated, and ROK officials returned to the ROK.

In June, North Korea intensified its criticism of the ROK because of the release of anti-North Korea leaflets by ROK defector groups, and blew up the Inter-Korean Joint Liaison Office on June 16. North Korea also revealed that it was considering "military action plans" toward the ROK, but at the preliminary meeting for the fifth meeting of the seventh session of the Central Military Commission of the WPK, which was attended by Chairman Kim, it was decided to suspend the plans.

In September, an incident occurred in which the North Korean military shot and killed a South Korean civil servant who was in the North Korean waters of the Yellow Sea, and, following this incident, North Korea sent the ROK a letter from the United Front Department, including an apology by Chairman Kim, to the ROK. In response, President Moon Jae-in said at a Chief of Staff meeting that he would like to take the apology by Chairman Kim as having an extraordinary meaning, create opportunities for dialogue and cooperation, and use it as an opportunity to turn around inter-Korean relations. The Government of the ROK, during its response to this incident, also announced the fact that in early September there had been an exchange of letters between the leaders of the ROK and North Korea. In an address at the UN General Assembly in September, President Moon Jae-in stated that "The Republic of Korea has been steadfast in seeking inter-Korean reconciliation," "I propose today launching a Northeast Asia Cooperation Initiative for Infectious Disease Control and Public Health, whereby North Korea participates as a member along with China, Japan, Mongolia and the Republic of Korea," and "I believe it (peace on the Korean Peninsula) begins with declaring an end to the war, an act that can affirm mutual commitments to peace."

At the military parade for the 75th anniversary of the founding of the WPK, Chairman Kim stated that "I hope that this health crisis would come to an end as early as possible and the day would come when the north and south take each other's hand again."

In a report made at the 8th Congress of the WPK, Chairman Kim reportedly stated that "Inter-Korean relations have regressed to the time before the Panmunjeom Declaration (signed at the April 2018 Inter-Korean Summit)" and that "Depending on the [ROK] attitude, we may return to a new starting point of peace and prosperity in the near future." Six days after the Congress of the WPK, President Moon Jae-in stated at a New Year's press conference that "Our determination to meet

[for an Inter-Korean Summit] at any time and any place and talk even in a contact-free manner remains unchanged” and also showed a positive attitude toward inter-Korean cooperation, including humanitarian cooperation.

(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. With regard to Russia-North Korea relations, Chairman Kim visited Vladivostok, Russia in April 2019 for the first time since he took office and held a meeting with President Putin.

On the other hand, due to the spread of COVID-19 in 2020, there were no travels by dignitaries between China and North Korea or between Russia and North Korea as before. Trade between China and North Korea, which accounts for approximately 90% of North Korea's entire external trade excluding inter-Korean trade, had also significantly reduced due to traffic restrictions following the spread of COVID-19.

(D) Other Issues

In 2020, a total of 77 drifting or wrecked wooden vessels presumed to be from North Korea were discovered (158 in 2019). The Government of Japan continues its effort to gather and analyze information, with great interest on relevant developments. In September, fishery patrol vessels of the Fisheries Agency confirmed a vessel that appeared to be a North Korean official one in Japan's Exclusive Economic Zone (EEZ) in the west of the Yamatotai bank in the Sea of Japan. As a result of information gathering and analysis by the relevant ministries and agencies, it was identified as a North Korean official vessel, and the Ministry of Foreign Affairs conveyed Japan's

position to North Korea. 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

The 8th Congress, which is the highest decision-making institution in the WPK, was held for eight days from January 5 to 12, 2021. It was the first time in approximately five years since the 7th Congress of the WPK that was held in May 2016.

It was reported that at the Congress of the WPK, Chairman Kim mentioned the continuation of nuclear and missile development and external relations (U.S.-North Korea relations, inter-Korean relations), etc. in an activity summary of achievements/reflections on the past five years and of future issues, and that a new “Five Year National Economic Development Plan” was presented. Personnel affairs such as the appointment of Chairman Kim to the post of “General Secretary of the WPK” were announced along with amendments to the Rules of the WPK, which include articulating to hold a Congress of the WPK once every five years.

On January 14, after the closing of the 8th Congress of the WPK, a military parade was held to celebrate the 8th Congress of the WPK. On January 17, the 4th Session of the 14th Supreme People's Assembly was convened, and it was announced that members of the Cabinet relating to economic issues were appointed, and that legislation related to the “Five Year National Economic Development Plan” was adopted.

(B) Economy

China accounts for the largest trade amount in North Korea's foreign trade, but in 2020 the scale of China-North Korea trade plummeted due to the impact of traffic restrictions following the spread of COVID-19. Additionally, it was reported that natural disasters such as typhoons continuously occurred and caused damage to agricultural land, houses, roads and railroads, etc.

Amidst these circumstances, at the military parade for the 75th anniversary of the founding of the WPK Chairman Kim said that “In the face of shortages of everything due to harsh and long-term sanctions, we are faced with the tremendous challenges and difficulties of having to control the emergency epidemic and recover from natural disasters,” mentioning that “Citizens are mired in inescapable hardships” and that “I am truly sorry for that.”

It was reported that at the 8th Congress of the WPK in January 2021, Chairman Kim stated that the goals listed in the “the five-year strategy for the national economic development” presented at the 7th Congress of the WPK were unable to be achieved due to sanctions, natural disasters and the global health crisis, and it was reported that the new “five-year plan for the national economic development” (2021-2025) was presented.

(C) Response to COVID-19

North Korea has strengthened its epidemic prevention measures following the worldwide spread of COVID-19 since January 2020. At the October 10th military parade for the 75th anniversary of the founding of the WPK, Chairman Kim said that “Nobody in the Democratic People’s Republic of Korea is infected with COVID-19.” As of December, North Korea claims that no COVID-19 infection within North Korea has occurred.

On January 30, it was reported that the previous “hygienic and anti-epidemic system” would be converted into the “state emergency anti-epidemic system” to respond to COVID-19. It was followed by suspension of all rail and air services between North Korea and China and Russia, and it was reported that the North Korean authorities took thorough measures to prevent the spread of infections, such as by implementing quarantine measures for individuals who were possibly infected. In July, an emergency enlarged meeting of the Political Bureau of the Central Committee of the WPK was convened, and a decision was adopted to shift from the “state emergency anti-epidemic

system” to the “maximum emergency system.” At the meeting, it was reported that one North Korean defector who returned to Kaesong City was suspected of being infected with COVID-19, and that a lockdown was imposed on Kaesong. Afterwards, although the lockdown of the city was lifted at the August 13 meeting of the Political Bureau of the Central Committee of the WPK, it was reported that at the meeting Chairman Kim said “The situation requires to shut the border tighter and carry out strict anti-epidemic work.” At subsequent meetings of the Political Bureau, the necessity for thorough and strengthened epidemic prevention efforts has been repeatedly emphasized, and it was reported that at the 8th Congress of the WPK in January 2021 Chairman Kim stated in his report to the meeting that “We should create a reliable anti-epidemic basis for coping with whatever world health crisis.”

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 closely working together 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. 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 Problem 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 2020, unacceptable situation to Japan has continued, including the issue of former civilian workers from the Korean Peninsula (hereinafter referred to as “CWKs”), moves that are contrary to the intent and spirit of the 2015 Japan-ROK Agreement on the issue of comfort women, and military exercises in Takeshima.

Under these circumstances, at the Japan-ROK Summit telephone call held on the occasion of the inauguration of Prime Minister Suga in September, Prime Minister Suga told President Moon Jae-in that Japan-ROK and Japan-U.S.-ROK coordination is important, including for the issue concerning North Korea, and that the relations between Japan and the ROK, which is currently in an extremely difficult situation due to issues, including the issue of CWKs, should not be left as it is, and also urged the ROK to create opportunities to restore sound Japan-ROK relations. Prime Minister Suga also sought continued support for the resolution of the abductions issue.

Although the travel of dignitaries between Japan and the ROK is severely restricted due to the impacts of COVID-19, communication through the diplomatic channels continued, including a total of three Japan-ROK Foreign Ministers' Meetings (including telephone calls) and Japan-ROK Director-General-level consultations on multiple occasions.

Under these circumstances, on January 8, 2021, in the lawsuit filed by former comfort women and others against the Government of Japan, the Seoul Central District Court of the Republic of Korea rendered a judgment which ordered the Government of Japan, inter alia, to pay compensation to the plaintiffs, denying the application of the principle of State immunity under international

law. On January 23, 2021, this judgment was confirmed. This judgment is clearly contrary to the international law and agreements between the two countries, and further exacerbates Japan-ROK relations, which are already in a difficult situation due to issues including the issue of CWKs. This judgment is extremely regrettable and totally unacceptable. Japan strongly urges the ROK to immediately take appropriate measures to remedy the status of its breaches of international law on its own responsibility as a country.

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

The Agreement on the Settlement of Problem concerning Property and Claims and on the Economic Co-operation between Japan and the Republic of Korea, which is 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, on October 30 and November 29, 2018, the Supreme Court of the ROK gave final judgments ordering Japanese companies to pay compensation for damages to ROK nationals who were said to have worked for the companies during the Second World War. Such judgments are extremely regrettable and totally unacceptable.

These Supreme Court judgments and related judicial procedures clearly violate Article II of the Agreement on the Settlement of Problem 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 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 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. Additionally, the Government of Japan gave notice to the Government of the ROK in May 2019 that it would refer the dispute to arbitration in accordance with Article III-2 of the Agreement, but, although requested to comply with this, the Government of the ROK did not fulfill its obligations regarding the arbitration procedure stipulated in the Agreement, and, as a result, the arbitration board could not be constituted.⁸

In the meantime, based on the plaintiffs' petitions, the ROK courts have advanced the procedures for seizing and liquidizing the assets of the Japanese companies. The Government of Japan has repeatedly emphasized to the Government of the ROK that if the seized assets of Japanese companies were to be liquidated, it would lead to an extremely serious situation for Japan-ROK relations and must be avoided at any cost, and renewed its call for the ROK to remedy the status of its breaches of international law and to urgently provide a solution that is acceptable to Japan.

The Government of Japan will continue to maintain communication through the diplomatic channel between Japan and the ROK, and will continue to strongly urge the ROK to take appropriate actions based on Japan's principled positions on issues between our two countries, including the issue of CWKs.

The below Ministry of Foreign Affairs website details Japan's Efforts on the Issue of CWKs.

https://www.mofa.go.jp/a_o/na/kr/page4e_000947.html



(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 settled “completely and finally” in 1965 through the Agreement on the Settlement of Problem 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 2015.⁹ Directly after this Japan-ROK Foreign Ministers' Meeting, 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, and that the Government of the ROK committed to the agreement. This agreement was

⁸ See References on the issue of former civilian workers from the Korean Peninsula (CWKs)

⁹ and ¹¹ See References on the comfort women issue

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 Japanese yen to “the Reconciliation and Healing Foundation” established by the Government of the ROK. As of December 31, 2020, 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 statue¹⁰ was installed on the sidewalk facing the Consulate-General of Japan in Busan by a civic 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 Japanese 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. Additionally, Japan has been objecting to the ROK having mentioned this issue in such occasions as the United Nations Human Rights Council in recent years, even though the Japan-ROK Agreement confirms that the Government of Japan and the Government of the ROK will refrain from accusing or criticizing each other regarding the comfort women issue in the international community, including at the United Nations .

Moreover, on January 8, 2021, in the lawsuit filed by former comfort women and others against the Government of Japan, the Seoul Central District Court of the Republic of Korea rendered a judgment which ordered the Government of Japan, inter alia, to pay compensation to the plaintiffs, denying the application of the principle of State immunity under international law. On January 23, 2021, this judgment was confirmed.¹¹ Japan has repeatedly expressed its position that this lawsuit must be dismissed because it is not acceptable for the Government of Japan to be subject to the jurisdiction of the ROK in accordance with this principle of State immunity in international law. As mentioned above, the issue concerning property and claims between Japan and the ROK, including the issue of comfort women, was “settled completely and finally,” with the Agreement on the Settlement of Problem concerning Property and Claims and on the Economic Co-operation between Japan and the Republic of Korea of 1965. Furthermore, it was confirmed that the issue of comfort women was “resolved finally and irreversibly” with the agreement between Japan and the ROK in 2015. Therefore, the judgment is extremely regrettable and absolutely unacceptable, as it is clearly contrary to international law

¹⁰ 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.

and agreements between the two countries. Japan once again strongly urges the ROK to immediately take appropriate measures to remedy the status of its breaches of international law on its own responsibility as a country.

The Japan-ROK agreement in 2015 is an agreement between two countries, and it must be implemented responsibly regardless of the change of government. The ROK has a responsibility to steadily implement the agreement not only to Japan but also to the international community. As stated above, the Government of Japan has implemented all measures it committed to under the Japan-ROK agreement. The Government of the ROK itself also acknowledges that this agreement is an official agreement between the two governments and the international community is closely following the ROK's implementation of the agreement. The Government of Japan will continue to strongly urge the ROK to steadily implement the Japan-ROK Agreement. (see page 37 for the handling of the comfort women issue in the international community.)

The below Ministry of Foreign Affairs website details Japan's Efforts on the Issue of Comfort Women.

https://www.mofa.go.jp/policy/postwar/page22e_000883.html



(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,¹² 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.¹³ In particular, in 2020, 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 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) Update of Licensing Policies and Procedures on Exports of Controlled Items to the ROK

On September 11, 2019, the Government of the ROK requested bilateral consultations with Japan under the World Trade Organization (WTO) dispute settlement procedures, claiming the update by the Government of Japan of the operation of measures related to Japan's export to the ROK of three items for semiconductors (fluorinated

12 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>



13 The ROK Armed Forces conducted military training related to Takeshima in June and December 2019. 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.

polyimide, resist and hydrogen fluoride), and the system for requiring individual export licenses¹⁴, is in breach of the WTO Agreements. The Government of the ROK announced on November 22, 2019, that it suspended the effect of the notification of termination of the Agreement between the Government of Japan and the Government of the Republic of Korea on the Protection of Classified Military Information (GSOMIA), and in doing so said that it would also suspend its WTO dispute settlement procedures while the Japan-ROK Export Control Policy Dialogue would be held as normal. Subsequently Export Control Policy Dialogues were held in December 2019 and March 2020. Despite the fact that the export control authorities of Japan and the ROK shared the view to resolve the issue through dialogue and communication, the Government of the ROK resumed WTO dispute settlement procedures on June 18, and the WTO Dispute Settlement Body decided to establish a panel on July 29.

(F) Exchanges and Travel

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. Since March, travel between Japan and the ROK significantly decreased due to the strengthening of border measures related to COVID-19, and in 2020, only approximately 920,000 people made trips between the two countries. Under such circumstances and with regards to phased measures toward resuming cross-border travel, Japan and the ROK held discussions and coordinated based on decisions made by the National Security Council and by

the Novel Coronavirus Response Headquarters on July 22, and from October 8, started the “Business Track” and “Residence Track” travel programs¹⁵ (See the Opening Special Feature on page 2). The Governments of Japan and the ROK share the view that, notwithstanding the challenging situation of the bilateral relationship, exchanges between Japan and the ROK are important. In Japan, K-POP and South Korean TV dramas, etc., are widely accepted by people of all ages, and particularly amidst the spread of COVID-19 when citizens are asked to refrain from going out, the drama “Crash Landing on You” was so popular that it was selected as a candidate for a buzzword award and sparked the fourth wave of Korean popularity. In addition, in recent years Korean cuisine has become widespread throughout Japan, and Korean cosmetics and fashion are popular mainly among young Japanese women. The major Japan-ROK grassroots exchange program “Japan-Korea Exchange Festival” (*Nikkan Koryu Omatsuri*) could not invite visitors because of the impacts of COVID-19, so in 2020, it was held online for the first time 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 2020), and in 2020, conducted an online exchange program for the first time.

(G) Other Issues

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

¹⁴ 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: The ROK was excluded from “Group A.” A revised Cabinet ordinance entered into force on August 28 to effect this change) and (2) switching from bulk licenses to individual export licenses for Fluorinated polyimide, Resist and Hydrogen fluoride.

¹⁵ In response to the spread of COVID-19 variants in various countries, operation has been suspended since January 14, 2021, as a new measure for border enforcement (as of the end of February, 2021).

between the two countries in the field of security and contribute to regional peace and stability. Afterwards, 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 (E)) and notified the termination on the following day, August 23. Following this and after exchanges between Japan and the ROK, on November 22, the Government of the ROK announced that it would suspend the effect of the notification of termination of August 23. In view of the current regional security environment, the Government of Japan still considers it important for the Agreement to continue operating in a stable manner.

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 United Nations Group of

Experts on Geographical Names (UNGEGN),¹⁶ 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.¹⁷

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 ROK¹⁸ 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,¹⁹ addressing the issue of atomic bomb survivors living in the ROK,²⁰ and helping Hansen's disease patients admitted to sanitariums in the ROK.²¹

B Japan-ROK Economic Relations

The total value of trade between the two countries amounted to approximately 7.60 trillion Japanese yen in 2020. Japan is the ROK's third

¹⁶ A UN conference where experts on place names and geospatial information from each country discuss, from a technical point of view, the definitions of terms related to place names and the notion methods for place names. In 2017, the UN Conferences on the Standardization of Geographical Name, which had been held every five years, and the UN Group of Experts on Geographical Names, which had been held every two years, were integrated into the United Nations Group of Experts on Place Names (UNGEGN).

¹⁷ Ministry of Foreign Affairs website detailing the issue of the name of the "Sea of Japan": <https://www.mofa.go.jp/policy/maritime/japan/index.html>



¹⁸ After being stolen in Tsushima City, Nagasaki Prefecture in 2012 and shipped to the ROK, in April 2016 the Buseoksa Temple in the ROK requested that the Government of the ROK return to Buseoksa Temple the "Kanzeon Bosatsu Statue" that had been collected and stored by the Government of the ROK. The proceedings were filed in the Daejeon District Court, but in January 2017 the Court issued a verdict of the first hearing to the plaintiff's side (Buseoksa Temple). In response to this, the Government of the ROK appealed, and the matter is currently pending at the Daejeon High Court. The "Kanzeon Bosatsu Statue" is still being held by the Government of the ROK and has not been returned to Japan (as of February 2021).

¹⁹ 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.

²⁰ 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.

²¹ In February 2006, the "Act on Payment of Compensation to Inmates of Hansen's Disease Sanatorium" was amended, and former residents of Hansen's disease sanitariums outside of Japan, which were established by Japan before the end of World War II, were made eligible for compensation, similar to former residents of domestic sanitariums. Additionally, in November 2019, the "Act on Payment of Compensation to Families of Former Patients of Hansen's Disease" was enacted, and the families of former inmates were also made eligible for compensation.

largest trading partner, and vice versa. The ROK's trade deficit with Japan increased by approximately 6.1% from a year earlier, reaching approximately 1.93 trillion Japanese yen (Trade Statistics of Japan, Ministry of Finance). Japanese direct investment in the ROK totaled approximately 0.73 billion US dollars (down 49.2% from the previous year) (figures published by the ROK Ministry of Trade, Industry and Energy), making Japan the ROK's fifth largest source of foreign direct investment (Hong Kong and the Cayman Islands are excluded from the ranking.).

In November, 15 countries, including Japan and the ROK, signed the Regional Comprehensive Economic Partnership (RCEP) Agreement, which is also the first Economic Partnership Agreement (EPA) between Japan and the ROK.

Under WTO dispute settlement procedures, in September 2019, the WTO Appellate Body issued a report that recognized Japan's major claims in "Korea - Anti-Dumping Duties on Pneumatic Valves From Japan," and in August 2020, the measures were abolished. For "Korea - Sunset Review of Anti-Dumping Duties on Stainless Steel Bars," a panel released a report in November, finding that the ROK's measures were in violation of the WTO Agreements and recommended that the measures be remedied. Furthermore, in "Korea - Measures Affecting Trade in Commercial Vessels," bilateral consultations were held in December 2018 and March 2020 based on WTO dispute settlement procedures.

■ Situation in the ROK

(A) Domestic Affairs

A general election of the National Assembly of the ROK was held on April 15, prior to the Moon Jae-in administration entering its fourth year in May 2020. In the election, the ruling party gained support as a result of rapidly quelling the spread of COVID-19 in the ROK in early 2020, and the Democratic Party of the ROK won 180 out of the 300 total seats. However, the ruling party lost the mayoral seats in the ROK's two major cities

with the resignation of Oh Keo-don, the mayor of Busan, in late April, and the suicide of Park Won-soon, the mayor of Seoul, in July respectively due to their misdeeds.

Cabinet reshuffles were conducted by the Moon administration in July, December and January 2021. In the July cabinet reshuffle, President Moon Jae-in appointed Suh Hoon, who had been working on inter-Korean relations as Director of the National Intelligence Service, as the Director of the Office of National Security for the President, and carried out Ministerial personnel affairs with an emphasis on inter-Korean relations. In December, in addition to some Ministerial personnel affairs, Noh Young-Min, Chief of Staff to the President, and Kim Sang-jo, Chief of Staff for Policy, announced their resignations. In January 2021, Chung Eui-yong, the former Director of the Office of National Security for the President, was nominated to succeed Minister of Foreign Affairs Kang Kyung-wha, and Chung Eui-yong was appointed as the Minister of Foreign Affairs in February 2021.

In January, President Moon appointed former Democratic Party of the ROK representative Choo Mi-ae as Minister of Justice in an attempt to advance prosecution reforms, but following the appointment, there was conflict between Minister Choo and Prosecutor General Yoon Seok-youl. On November 24, Minister Choo announced that she would suspend Prosecutor General Yoon's duties and advance disciplinary proceedings, then on December 15, the Disciplinary Committee decided to suspend Prosecutor General Yoon for two months. The following day, December 16, President Moon approved the decision and Minister Choo announced her resignation, but on December 24, the Seoul Administrative Court granted Prosecutor General Yoon's complaint, and suspended the decision to suspend his duties. In January 2021, the Corruption Investigation Office for High-ranking Officials (CIO) was established, which is an organization that investigates cases of fraud involving high-ranking officials, and investigations of cases of fraud involving high-ranking

officials will now be conducted by the CIO instead of by prosecutors in the ROK.

(B) Foreign Policy

Following the outbreak of COVID-19 in early 2020, the Government of the ROK was ahead of other countries in suppressing the outbreak through aggressive PCR testing, contact tracing, and thorough quarantine measure for infected individuals and their close contacts. This know-how was termed as “K-Quarantine,” was promoted both domestically and overseas, and efforts were made to share it with the other governments. Reciprocal visits by dignitaries between the ROK and other countries decreased due to the spread of COVID-19, but the Government of the ROK actively develops diplomacy between leaders and foreign ministers through telephone calls and teleconferences, and has created a framework for resuming travel by businesspeople with Japan, China, the United Arab Emirates, Indonesia, Singapore and Viet Nam. In 2020, President Moon Jae-in did not make any overseas visits.

Although the Government of the ROK was making these efforts in response to the spread of COVID-19, addressing North Korea continued to be a top priority for the Moon Jae-in administration, but in June, the inter-Korean joint liaison office in Kaesong was blown up by North Korea and there were no positive movements in inter-Korean relations (see (1) C (B) for inter-Korean relations).

With regards to relations with the U.S., the U.S.-ROK Combined Forces Command training was held in August at a reduced scale due to the impacts of COVID-19. In 2019 and 2020, the U.S. and the ROK held a total of seven discussions on the 11th Special Measures Agreement (SMA) related to U.S. forces stationing expenses after 2020, but negotiations did not come to a conclusion during 2020, partly due to the U.S. requesting an increase in the ROK’s burden. In addition, following the victory of former Vice President Joe Biden in the U.S. presidential election, a telephone call between President Moon and President-elect Joe

Biden was held on November 12. After the inauguration of President Biden, a U.S.-ROK Summit telephone call was held on February 4, 2021.

With regards to relations with China, the Governments of the ROK and China coordinated a visit by President Xi Jinping to the ROK, but it was not realized during 2020 due to the spread of COVID-19. In August, Yang Jiechi, a Member of the Central Politburo of the Communist Party of China, and in November, Wang Yi, a State Councilor and Foreign Minister, visited the ROK. A China-ROK Summit telephone call was held on January 26, 2021, and the two leaders declared that the two-year period of 2021 and 2022, the 30th anniversary of the normalization of diplomatic relations between China and the ROK, will be “Years of cultural exchange between China and the ROK.”

(C) Economy

In 2020, the GDP growth rate in Korea was impacted by the spread of COVID-19 and was -1.0%, showing a decrease from 2.0% of the previous year. The total amount of exports decreased 5.4% year-on-year to approximately 512.9 billion US dollars, while the total amount of imports decreased 7.2% year-on-year to approximately 467.2 billion US dollars, resulting in a trade surplus of approximately 45.6 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, and has significantly increased the minimum wage for two consecutive years since 2018. However, such sharp rises drew growing criticisms for causing job losses, and in August 2020 the administration announced that the minimum wage in 2021 would be 8,720 won (up 1.5% year-on-year).

In recent years, the ROK has had a rapidly declining birthrate and aging population. In 2020,

the total fertility rate was a record low of 0.84 children per woman, making the declining birth-rate issue all the more serious.

The Moon Jae-in administration has implemented policies to curb real estate investment, but due to excessive demand associated with speculative home purchases by owners of multiple homes, condominium prices in Seoul have risen by approximately 50% in the three years since the administration was inaugurated. Real estate prices continue to rise, and addressing this has become one of the most important issues for the administration.

In order to lead changes in the world after the spread of COVID-19, in July, the Government of the ROK announced a comprehensive plan for a Korean version of the New Deal as a national development strategy, centered on strengthening the Digital New Deal, the Green New Deal and the employment safety net.

3 China / Mongolia, etc.

(1) China

A Situation in China

(A) Domestic Affairs

The Third Session of the 13th National People's Congress (NPC) was originally scheduled for March, but was postponed due to the impacts of COVID-19 and held in May. As the impacts of COVID-19 drew attention, Premier Li Keqiang said in the Government Work Report at the session that "We have resolutely won the battle to protect Wuhan and Hubei, and we have achieved decisive results." From October 26 to 29, the fifth plenary session of the 19th Communist Party of China (CPC) Central Committee was held, and the "14th Five-Year Plan (2021-25) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035" were deliberated and adopted. President Xi Jinping was described as the "core of the Central Committee of the Party" and as the "core of the whole Party," and the leadership of the CPC and the superiority

of the socialist system were re-emphasized. In addition, 2020 was the target year for the realization of building a "moderately prosperous society" and it was mentioned that "victory is imminent," showing confidence that the eradication of poverty would be achieved as planned by the end of the year. In December, President Xi Jinping stressed that China had "lifted nearly 100 million people out of poverty and won a significant victory that impresses the world," and declared that the goal of "zero poverty" had been achieved by its deadline of 2020.

With regards to Hong Kong, the large-scale protests that had been ongoing since 2019 decreased in conjunction with the spread of the COVID-19 epidemic. Meanwhile, in May, the Standing Committee of the NPC enacted the Hong Kong "National Security Law," and decided to apply the law to Hong Kong. In response to this move, in a G7 Foreign Ministers' Statement in June, in which Japan also participated, the Foreign Ministers stated that China's decision is inconsistent with the Hong Kong Basic Law and with China's international commitment under the principles of the legally binding, UN-registered Sino-British Joint Declaration, and expressed grave concern that the law could undermine the principle of 'One Country Two System' framework in Hong Kong. However, despite the concerns of the international community and of Hong Kong citizens, on June 30th the Standing Committee of the NPC enacted the Hong Kong "National Security Law," which stipulated four types of criminal acts to be added, including separatism from the state, subversion of state power, terrorist activity, and colluding with foreign countries or powers and harming national security, and it entered into force on the same day. Since then, Hong Kong's democratic activists and media officials have been arrested based on the law, Hong Kong legislative elections scheduled for September were postponed, Hong Kong Legislative Council members were disqualified based on decisions from the Standing Committee of the NPC, and all pro-democracy members of

the Legislative Council resigned in protest of this. The international community, including Japan, has repeatedly expressed grave concerns about the situation in Hong Kong. The Consulate-General of Japan in Hong Kong, the Japan External Trade Organization (JETRO) Hong Office and the Hong Kong Japanese Chamber of Commerce & Industry conducted the “Fifth Survey on the Business Conditions Surrounding Hong Kong” (October 19) targeting full members of the Hong Kong Japanese Chamber of Commerce & Industry, members of the Hong Kong Japanese Restaurant Association, and members of the Hong Kong Wakyokai. 66.8% of all respondents answered that they were “Extremely concerned” or “Concerned” about Hong Kong’s “National Security Law.”

The international community continues to express high interest in the human rights situation in the Xinjiang Uygur Autonomous Region (XUAR). At the UN Human Rights Council in June and the Third Committee of the UN General Assembly in October, joint statements were read out expressing grave concerns about the human rights situation in the XUAR and in Hong Kong, and calling for meaningful access to the XUAR by the UN High Commissioner for Human Rights. Japan participated in both statements as the only participating country from Asia. Japan is seriously concerned about the human rights situation in the XUAR, and believes that it is important for China to guarantee the universal values of freedom, respect for basic human rights and the rule of law in the international community. As the international community including Japan has been expressing increased interest and concern over the human rights situation in the XUAR, Japan is working at all levels, including when State Councilor and Foreign Minister Wang Yi visited Japan in November 2020, to have the Government of China provide transparent explanations on the issue.

(B) Economy

Due to the spread of COVID-19, China’s real GDP in the first quarter of 2020 decreased by

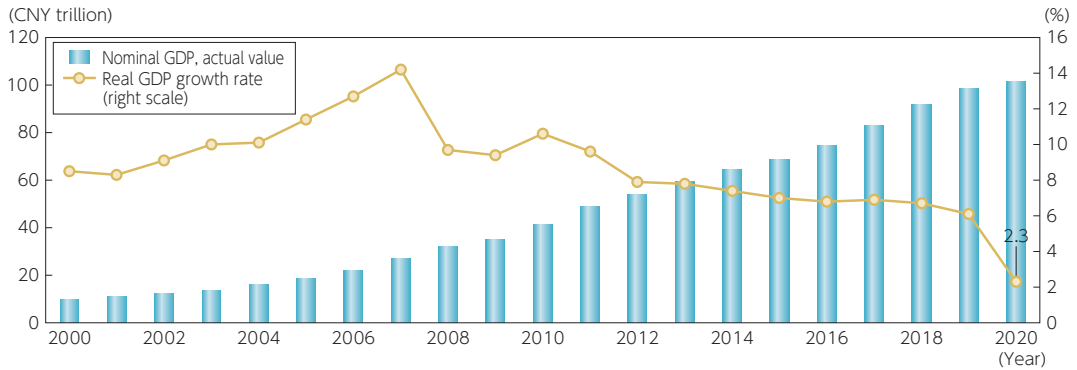
6.8% year on year, the first negative growth rate since 1992, the furthest back that quarterly statistics are available. Production, investment and consumption from January to March all saw negative growth for the first time in the quarter, and exports fell sharply due to a decrease in overseas demand, with COVID-19 having a serious impact on China’s economy. After the first quarter, the Government of China called for an early resumption of economic activities while curbing COVID-19 through means such as tracking users’ behavior and movement history via apps, etc. The economic recovery progressed, driven by production, investment and exports, and the real GDP for 2020 increased by 2.3%.

At the 13th National People’s Congress held in May, Premier Li Keqiang set the main development goals for 2020 as stable employment, poverty alleviation, industrial upgrading and the expansion of domestic demand. On the other hand, a target economic growth rate was not presented because of the unpredictable effects that China’s development was facing due to uncertainty over COVID-19, the economy and trade.

At the 5th plenary session of the 19th CPC Central Committee held in October, in addition to the proposal of the 14th Five-Year Plan (2021-25) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035, the need to enhance economic self-sufficiency, including a shift to a domestic demand-led economic structure, was emphasized along with the construction of supply chains that are not affected by foreign pressure and the strengthening of science and technology for “independence,” “self-reliance” and “ensuring the security of the national economy.” At the 4th session of the Standing Committee of the NPC held in March 2021, the proposal was specifically established as the 14th Five-Year Plan (2021-25) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035.

In the drafting process of this proposal, General Secretary Xi Jinping gave an address at an

Development of China's GDP



Source: National Bureau of Statistics of China

internal meeting in April entitled “Major Issues Concerning China’s Strategies for Mid-to-Long-Term Economic and Social Development,” in which he laid out a new development strategy of establishing autonomous domestic circulation while further expanding the 400 million people in the middle-income group, attracting resources from all over the world, attracting international industrial chains to have dependent relationships with China, and maintaining the policy of putting China first in the real economy, such as in the manufacturing industry (this address was published in the Party’s magazine, “Qiushi,” in October).

As for foreign economic policy, it was stated that China will continue to open up to the outside world. In November, the Third China International Import Expo was held, and in terms of economic partnerships, the Regional Comprehensive Economic Partnership (RCEP) Agreement for East Asia was signed and at the end of December a general agreement was reached on the EU-China Comprehensive Agreement on Investment. Additionally, President Xi Jinping, with regards to the Trans-Pacific Partnership (TPP11 Agreement), stated that he would “favorably consider” joining it at the APEC Economic Leaders’ Meeting in November.

At the Central Economic Work Conference held in December, it was stated that 2020 was a very special year in the history of the new China,

as China was the only country in the world that achieved positive economic growth, that the main goals and missions of the 13th Five-Year Plan would soon be completed, and that achieving total completion of a “moderately prosperous society” was imminent. In addition, the following were set as priority tasks for economic policy in 2021: (1) strengthening strategic science and technology capabilities, (2) industrial policy (strengthening industrial chain and supply chain control, etc.), (3) expansion of domestic demand, (4) reform and opening up (favorably considering joining the TPP11 Agreement, etc.), (5) agricultural and food policy, (6) competition policy (strengthening antitrust and preventing the disorderly expansion of capital, etc.), (7) housing policy, and (8) environmental policy (peak out carbon dioxide (CO2) emissions, concrete measures to achieve carbon neutrality, etc.)

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) Response to COVID-19

COVID-19 spread from China to the rest of the world after the end of 2019. On December 31, 2019 China reported a pneumonia of unknown cause to the WHO office in Beijing, and it was

additionally reported on January 3, 2020 that 44 people had contracted pneumonia of unknown cause. On January 16 it was announced that there were a cumulative total of 41 people who had been infected. Additionally, on January 3, a Wuhan doctor who posted on social media about an epidemic of pneumonia of unknown cause was punished by the Wuhan police authorities.

On January 20, President Xi Jinping gave instructions to resolutely stop the spread of COVID-19. On the same day, Zhong Nanshan, Head of China's COVID-19 Expert team, said in a television interview that "There is certainly human-to-human transmission." Following this, the cumulative number of infected people announced by the Government of China was 291 on January 20 and 11,791 on January 31.

On January 23, the Government of China took steps to seal off the city of Wuhan. Meanwhile, the mayor of Wuhan said on January 26 that more than five million people had already left Wuhan (the population of Wuhan is approximately 11 million).

President Xi Jinping established the "The Central Leading Group for COVID-19 Prevention and Control" on January 25, it held its first meeting the following day on January 26, and full-scale infection prevention measures began. On January 27, an order was issued to cancel all overseas group tours. On January 28, WHO Director-General Tedros visited China, met with President Xi Jinping, and on January 30 the WHO issued a "Public Health Emergency of International Concern." The number of infections in China exceeded 80,000 in March, but the spread of the infection began to subside from mid-March. On March 10 President Xi Jinping visited Wuhan, on March 12 the Chinese health authorities announced that the peak of the infections in China had already passed, and on March 18 the number of new infections in China went to zero for the first time.

(D) Foreign Policy

In 2020, amidst the worldwide spread of COVID-19 from China, China has been actively expanding its external support since March. In June, the State Council Information Office of China published its first white paper on COVID-19, "Fighting COVID-19: China in Action." The white paper mentioned that by May 31 China had dispatched teams of medical professionals to 27 countries and had provided medical supplies, such as masks, protective clothing and ventilators, to 150 countries and four international organizations. Additionally, China actively promoted the domestic development of vaccines and steadily improved its vaccine production systems. At the annual WHO meeting in May, President Xi Jinping announced that, after putting its vaccines into practical use, China would make them a "global public good." Additionally, China actively used its vaccines for foreign policy, such as by promising Chinese-made vaccines to Southeast Asia, Africa and others.

Continuing from 2019, the U.S. and China are confronting each other in a variety of fields, such as trade issues, competition for advanced technologies and COVID-19 response from March, and made frequent criticisms of and sanctions toward each other on multiple fronts, including politics, foreign policy, military and security, the media and education. In the U.S. Congress, as there were increasing calls for measures including strict sanctions against China, the "Uyghur Human Rights Policy Act of 2020" in June and the "Hong Kong Autonomy Act" was enacted in July, and regulations on many Chinese companies were tightened due to security concerns and other reasons. The U.S. closed the Chinese Consulate-General in Houston at the end of July, claiming that it was a base for espionage and intellectual property theft, and in response China closed the U.S. Consulate-General in Chengdu. Furthermore, in January 2021 the U.S. determined that the human rights situation in the Xinjiang Uygur Autonomous Region (XUAR) was genocide. In March 2021, the U.S.,

EU, UK and Canada announced sanctions for human rights violations in the XUAR. In response, China announced countersanctions against the U.S., EU, UK and Canada. As establishing stable relations between the U.S. and China, the first and second largest economies in the world, is an issue not only for Japan, but also for the international community as a whole, Japan will continue to monitor future developments.

(E) Military Affairs and Security

China has been increasing its defense expenditures about 44-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. It is placing importance on ensuring its superiority in new domains of outer space, cyberspace and electromagnetic spectrum. 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 strong security concerns in the region, including Japan, and in the 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. Additionally, the communique from the 19th CPC Central Committee, published in October 2020, set the new goal of "securing the realization of the centennial goal by 2027, the 100th anniversary of the founding of the Chinese People's Liberation Army (PLA)." 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. Stable Japan-China relations are important not only for both countries, but also for the region and the international community. At the same time, there exist a variety of matters of concern with China, and it is important to continue utilizing high-level opportunities such as summit meetings and foreign ministers' meetings to firmly assert Japan's position and to strongly demand China to take concrete actions. As for the state visit invitation to President Xi Jinping made by Prime Minister Abe at the June 2019 Japan-China Summit Meeting, the Governments of Japan and China should first concentrate on containing COVID-19, and currently are not at the stage of making specific schedule arrangements.

In 2020 the travel of dignitaries significantly decreased due to the spread of COVID-19, but even under such circumstances, high-level communication, including between leaders, was continuously conducted, such as through telephone calls. While strengthening cooperation on COVID-19 responses, Japan and China exchanged opinions on a wide range of topics, from bilateral relations to regional and international affairs.



Japan-China Foreign Ministers' Meeting with Chinese State Councilor and Foreign Minister Wang Yi (February 15, Munich, Germany)

With regard to COVID-19, 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 28 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. On April 21 and July 29, Foreign Minister Motegi and State Councilor and Foreign Minister Wang Yi also had telephone calls about responses to COVID-19. At the meetings, the two Foreign Ministers confirmed that Japan and China will continue to cooperate through a variety of channels, such as between diplomatic authorities, including information sharing on lessons and knowledge in a free, transparent and prompt manner, and cooperation in international public health measures. Additionally,



Japan-China Foreign Ministers' Meeting with Chinese State Councilor and Foreign Minister Wang Yi (November 24, Tokyo)

at the telephone call in July, the two Foreign Ministers confirmed that they would coordinate to resume travel between the two countries as soon as possible.

On September 25, Prime Minister Suga and President Xi Jinping realized their first Japan-China Summit telephone call. Prime Minister Suga stated that a stable relationship between Japan and China is extremely important not only for the two countries, but also for the region and the international community, while conveying his hope that both countries would fulfill their responsibilities. The two leaders confirmed that their countries would continue to collaborate through various channels regarding COVID-19, and that they would continue to consult for the resumption of cross-border business travel as soon as possible. In addition to pending bilateral issues, the leaders discussed the challenges facing the region and the international community. Prime Minister Suga reiterated the situation in the East China Sea, including the waters around the Senkaku Islands, and stated that going forward he would like to discuss issues that are of great interest to the region and to the international community.

Although the travel of dignitaries between Japan and China was interrupted by the spread of COVID-19, State Councilor and Foreign Minister Wang Yi visited Japan on November 24 and the first high-level face-to-face meeting after the inauguration of the Suga administration was held. Foreign Minister Motegi had a total of more than

three hours of Japan-China Foreign Ministers' meetings with State Councilor and Foreign Minister Wang Yi, including one-on-one talks, and they exchanged frank opinions on the direction of Japan-China relations, items of mutual concern in bilateral relations, regional conditions including North Korea, and issues facing the international community, such as climate change, trade and investment. During these meetings, Foreign Minister Motegi clearly conveyed Japan's position on the South China Sea, the situation in Hong Kong, the Xinjiang Uygur issue, etc. in addition to bilateral issues such as the situation in the East China Sea, including the waters around the Senkaku Islands, the import restrictions on Japanese food and the detentions of Japanese nationals. Foreign Minister Motegi strongly urged China to take concrete actions, and firmly conveyed Japan's position and idea that China should take responsibility for various issues in the region and in the international community. With regard to the Senkaku Islands in particular, Foreign Minister Motegi conveyed Japan's strong concerns over individual incidents and strongly urged China not to take such actions as China's longest-ever intrusion into Japan's territorial waters, China's navigation through the contiguous zone surrounding the Senkaku Islands and China's approaching to Japanese fishing vessels..

On November 25, Prime Minister Suga received a courtesy call from State Councilor and Foreign Minister Wang Yi. Prime Minister Suga once again strongly urged China to take positive measures with regard to maritime and security issues such as in the East China Sea and in the waters surrounding the Senkaku Islands, the early removal of import restrictions on Japanese food, and, furthermore, the realization of the resumption of Japanese beef exports and exports of polished rice. Prime Minister Suga also conveyed Japan's concerns regarding the situation in Hong Kong and requested cooperation in dealing with North Korea, including on the abductions issue.

Based on a 2020 memorandum of understanding regarding the preparation of an annual plan

for exchanges and cooperation, practical dialogue between the diplomatic authorities has been promoted, such as the Japan-China Strategic Dialogue (January) and the Japan-China Policy Planning Discussion (September, in an online format). Additionally, on December 14 there was a teleconference between Minister of Defense Kishi and State Councilor of China and Defense Minister Wei Fenghe, and on December 15 there was a teleconference between Speaker of the House of Representatives Oshima Tadamori and Chairman of the Standing Committee of the NPC Li Zhanshu.

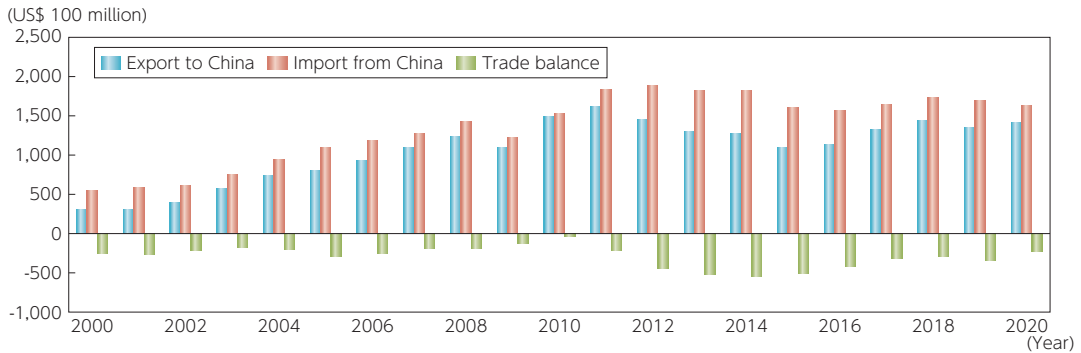
Stable Japan-China relations are important for the peace, stability and prosperity of the region and the international community. Japan and China, working together as responsible powers on and contributing to a variety of issues in the region and international community, will lead to further strengthening of Japan-China relations. Japan will continue close cooperation at a high level, including between leaders, to build a stable relationship with China.

(B) Japan-China Economic Relations

Economic relations between Japan and China, including trade and investment, are very close. Therefore, the spread of COVID-19 in China and the two-and-a-half month lockdown of Wuhan had a major impact on the economies of Japan and China. In particular, many medical supplies and automobile parts are manufactured in China, which led to a shortage of medical supplies such as masks in Japan and reduced automobile production. Additionally, the global spread of COVID-19 severely restricted business travel between Japan and China.

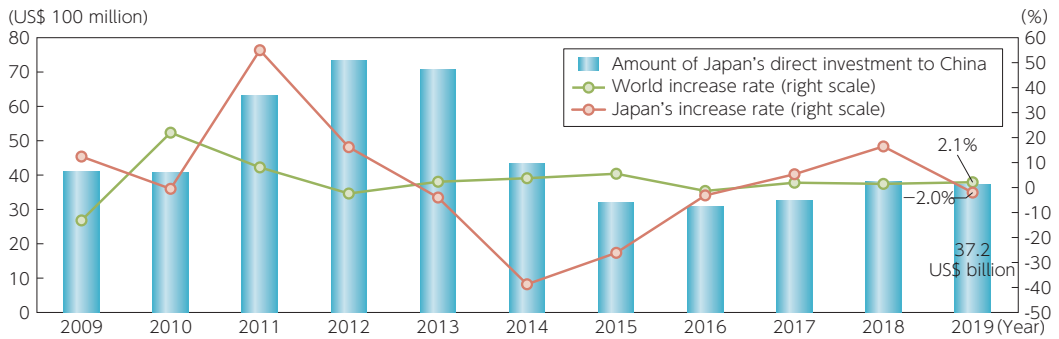
Under such circumstances, economic activities between Japan and China have continued, and the total trade between Japan and China (excluding Hong Kong) amounted to about 304.8 billion US dollars in 2020 (0.3% increase year on year), and China has been the largest trading partner for Japan for 14 consecutive years. Moreover,

Change in Japan's Value of Trade with China



Source: Ministry of Finance and Japan External Trade Organization (JETRO)

Change in amount of Japan's direct investment to China



Source: Ministry of Commerce of China

Note: Increase rate is estimated based on published amounts of investment

according to Chinese statistics, Japan's direct investment in China increased to about 3.72 billion US dollars (2.0% decrease year on year, as estimated from officially published information on investment) in 2019. Figures for 2020 have yet to be announced as of March 2021. Japan ranks third in terms of the amount of direct investment to China (Singapore ranks first, the ROK second, and the U.S. fourth).

As for economic dialogue between Japan and China, Japan-China Economic Partnership consultation were held online in November, and there was an extensive exchange of opinions on future issues and cooperation between Japan and China, including the current state of the economy in Japan and China, travel and tourism, medicine and healthcare, the environment and energy conservation, and agricultural trade, as well as on multilateral issues and cooperation, including

development, financial cooperation and debt issues, and trade and investment such as the WTO and RCEP. Japan raised to China the issues of ensuring the legitimate business activities of Japanese companies and a level-playing field in China, particularly with regard to protecting intellectual property, industrial subsidies and forced technology transfers, cyber data-related regulations, the Export Control Law, etc., and additionally once again strongly urged China to remove import restrictions on Japanese food.

At the Japan-China Foreign Ministers' Meeting held in Tokyo in November, with regard to economic areas, Japan and China agreed to promote cooperation together in fields where both sides have the same interests and direction, such as agricultural trade, travel and tourism, and the environment and energy conservation. Foreign Minister Motegi once again demanded that China protect

the business activities of Japanese companies and ensure a level-playing field. Additionally, as a private-sector-level economic exchange, the Third Japan-China Business Leaders and Former High-Level Government Officials Dialogue (Japan-China CEO Summit) was held online in December.

(C) Promotion of Mutual Understanding Between Japanese and Chinese People

(Current situation of people-to-people exchanges between Japan and China)

As COVID-19-related border measures, from February the Government of Japan designated Hubei Province, Zhejiang Province, and all of China as areas from which to refuse landings. From March, China also suspended visa exemption measures for Japan. As a result, travel between Japan and China dropped significantly, and the number of visitors to Japan from China went from a record high of 9.59 million in 2019 to approximately 1.07 million in 2020 (provisional value from the Japan National Tourism Organization (JNTO)). The Government of Japan lifted the landing refusal designation for China from November 1, and on November 30 began operation of “Business Track” and “Residence Track” travel programs (see the Opening Special Feature on page 2). It is expected that the resumption of travel will contribute to the revitalization of the Japanese and Chinese economies and promote mutual understanding.

(Japan-China youth exchange, etc.)

The year 2020 was designated as the “Japan-China Culture and Sports Exchange Promotion Year.” Japan solicited and verified events suitable for the purpose, and supported the strengthening of exchanges. Due to the impacts of COVID-19, related events were postponed or canceled in both Japan and China, but a total of 51 events were held after taking proper measures to prevent the spread of COVID-19, including holding them online. Japanese and Chinese youth who had participated last year in the “JENESYS2019” youth



Online Japanese quiz tournament sponsored by the Consulate-General of Japan in Chongqing
First year Japanese language students from eight universities in Sichuan participated (June 14)

invitation program interacted again online and actively exchanged opinions on a variety of themes while enjoying conversation on their experiences at the program. Even amidst the COVID-19 epidemic, the youth exchanges between Japan and China continued through these efforts to explore new ways of conducting exchanges.

At the Japan-China Foreign Ministers’ Meeting held in November, both Japan and China confirmed that they would cooperate for the success of the Olympic and Paralympic Games Tokyo 2020 in the summer of 2021 and then for the Olympic and Paralympic Games Beijing in the winter of 2022. Bearing in mind that 2022 is the 50th anniversary of the normalization of Japan-China relations, the promotion of exchanges between both countries was discussed, and it was confirmed that both countries would support youth exchanges for the development of bilateral relations over the medium to long term.

(D) Specific Pending Issues

(Situation Surrounding the East China Sea)

In the East China Sea, China Coast Guard 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.

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 the Senkaku Islands were incorporated into Japanese territory 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.²²

China Coast Guard vessels continue to intrude into the Japanese territorial sea, recording 24 incidents during 2020 (the numbers were 32 in 2019, and 19 in 2018). In May, July, August, October, November and December, China Coast Guard vessels intruded into the Japanese territory of the Senkaku Islands, and incidents occurred in which the China Coast Guard vessels attempted to approach Japanese fishing boats that were navigating in the area. In the incident in October, the intrusion into Japan's territorial waters lasted for more than 57 hours, which is the longest amount of time to date. Additionally, from April to August, the number of days in which Chinese Coast Guard vessels consecutively navigated in the contiguous zone surrounding the Senkaku Islands reached a record high of 111 days, and the situation is becoming more severe, with the number of days in 2020 in which Chinese Coast Guard vessels navigated in the contiguous zone around the Senkaku Islands reaching a record high of 333 days. The activities of the China Coast Guard vessels, which make their own assertions in Japan's territorial waters around the Senkaku Islands, are in violation of international law to begin with, and

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 June, the "Law of the People's Republic of China on the People's Armed Police Force," which regulates the authority and duties of the People's Armed Police Force, was amended and "protection of interests at sea and law enforcement" was stipulated as a duty of the People's Armed Police Force. The Government of China is proceeding with the development of legal systems for securing Maritime Rights and Interests protection. In November a draft of the "Coast Guard Law of the People's Republic of China" was announced, which stipulated enforcement of the Maritime Rights and Interests Protection Act as a duty of the China Coast Guard, and it was enacted into law by the Standing Committee of the NPC in January 2021 and took effect in February 2021. The China Coast Guard Law contains provisions that have problems from the viewpoint of consistency with international law, such as ambiguities in the maritime areas where it can be applied and in the authority to use weapons. Japan believes that the China Coast Guard Law should not undermine the legitimate interests of relevant countries, including Japan, and will continue to convey these serious concerns to China.

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

²² Ministry of Foreign Affairs website detailing the position of the Government of Japan on the Senkaku Islands: <https://www.mofa.go.jp/region/asia-paci/senkaku/index.html>



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 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 it 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 Prime Minister Abe and President Xi Jinping 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, have been seen, and in order to deal with these concerns appropriately, both Japan and China have been promoting dialogue and exchanges between the authorities concerned. The Maritime and Aerial Communication Mechanism was concluded during the visit to Japan by Premier Li Keqiang in May 2018, and in June 2018 the defense authorities of Japan and China began operation of the Mechanism, which is highly significant for promoting mutual understanding between both countries and avoiding and preventing accidental collisions. Japan and China intend to accelerate their coordination toward the early establishment of a “hotline between the defense authorities of Japan and China.” Also, the Japan-China Maritime Search and Rescue (SAR) Agreement was signed during Prime Minister Abe's visit to China in October 2018, which 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.

As Japan has stated on repeated occasions, including at Japan-China Summit Meetings, true improvement in Japan-China relations cannot be achieved without stability in the East China



Chinese maritime structures confirmed to have been built near the geographical equidistance line between Japan and China (Photo: Ministry of Defense)
For details, see https://www.mofa.go.jp/a_o/c_m1/page3e_000356.html



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 12th Japan-China High-Level Consultation on Maritime Affairs that was held in February 2021 or via 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 2020, even amidst the impacts of COVID-19, on-site investigations, excavation and recovery operations were carried out in various locations across China, with destruction works carried out in Haerbing District in Dunhua, Jilin Province and also in Harbin, Heilongjiang Province. Projects such as transporting shells were also conducted (as of December, approximately 58,000 abandoned chemical weapons have been destroyed).

(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 on various occasions between Japan and China, including summit meetings. One Japanese national detained in September 2019 was released in November 2019. Since then, the Government of Japan has strongly requested, at all levels and at every occasion, the Government of China 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 to detainees. At the Japan-China Foreign

Ministers' Meeting in November 2020 between Foreign Minister Motegi and State Councilor and Foreign Minister Wang Yi, Foreign Minister Motegi strongly requested again that China take positive action.

(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 China to remove as soon as possible the import restrictions placed on Japanese food products, including at the February Japan-China Foreign Ministers' Meeting, the July telephone call between the Japan and China Foreign Ministers, the November Japan-China Foreign Ministers' Meeting, and the courtesy call to Prime Minister Suga by State Councilor and Foreign Minister Wang Yi. In particular, at the Japan-China Foreign Ministers' Meeting in November, Japan strongly requested the early removal of import restrictions in light of the fact that March 2021 marks the 10th anniversary of the Great East Japan Earthquake. As a result of these efforts, it was agreed at the meeting with State Councilor and Foreign Minister Wang Yi to accelerate discussions to solve this issue, and the launch of the "Japan-China Agricultural and Fishery Products Trade Cooperation Mechanism" was agreed upon.

(Yamato Bank)

Numerous illegal operations by Chinese fishing vessels have been conducted in the waters around the Yamato Bank in the Sea of Japan. Japan has expressed concerns and has strongly and repeatedly urged China to take effective steps, including strengthening measures such as providing guidance to those engaged in fishing. At the November Japan-China Foreign Ministers' Meeting in November 2020, Foreign Minister Motegi also made strong requests to State Councilor and Foreign Minister Wang Yi.

(2) Taiwan

A Domestic Affairs

President Tsai Ing-wen, who was reelected in the January 2020 presidential election with the highest number of votes in history, was inaugurated for her second term on May 20 (Vice President is Lai Ching-te, former premier, Executive Yuan). At the inauguration ceremony, President Tsai Ing-wen thanked citizens for their cooperation in measures against COVID-19, and emphasized that since January 2020 Taiwan has surprised the international community with (1) its democratic elections and (2) the results from its COVID-19 measures. In fact, as COVID-19 measures, Taiwan rapidly implemented restrictions on entry from infected areas, and carried out a stable supply of masks by using the latest information processing techniques and IT technologies, and considerably suppressed infections, as compared with the international community. President Tsai Ing-wen also presented (1) industrial development, (2) social stability, (3) security, and (4) deepening democracy, as directions for the next four years.

In March, the Kuomintang, the largest opposition party, elected Johnny Chiang as Chairman of the Kuomintang in a by-election to replace former Chairman Wu Den-yih, who resigned after losing the presidential election.

Taiwan's economy is showing a recovery from the impacts of COVID-19 due to strong exports of 5G communications equipment, etc., and the real GDP growth rate in 2020 was 2.98% year on year (preliminary figure).

B Cross-strait Relations and Foreign Affairs

Since the 2016 inauguration of the Tsai Ing-wen administration, 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) presumably 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 System' framework, but President Tsai Ing-wen declared that an absolute majority of Taiwanese people would not accept 'One Country Two System' framework.

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 and expert meetings (Taiwan participated in WHO expert meetings on COVID-19 in 2020).

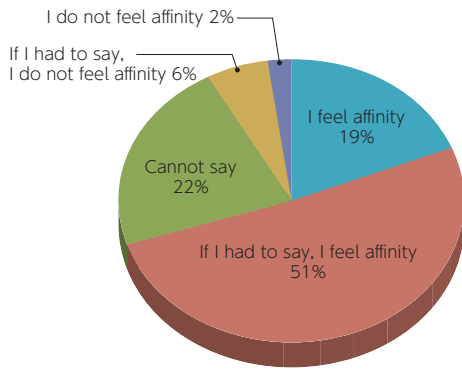
Japan has traditionally considered that there should be no geographical gap in responding to international health issues. Japan also recognizes that it is important to widely share the information and knowledge of each country and region in a free, transparent and prompt manner, particularly for diseases such as COVID-19 that have an enormous impact on the entire world. From this perspective, Japan has consistently supported Taiwan's participation as an observer to the WHO General Assembly.

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 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

Affinity of the people of Taiwan for Japan



Source: Japan-Taiwan Exchange Association

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, but visitors significantly decreased in 2020 due to the impacts of COVID-19.

In July, former President Lee Teng-hui passed away. He made great contributions to the promotion of friendship between Japan and Taiwan and made extremely important contributions to the consolidation of fundamental values in Taiwan such as freedom and democracy. In response, former Prime Minister Mori Yoshiro led a delegation to express condolences, and visited Taiwan twice to attend the funeral ceremonies.

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

In May an amended constitution came into effect, which ensures the maintenance and continuation of parliamentary democracy, strengthens the authority of the Prime Minister and Cabinet, amends the term and mandate of the President, and strengthens guarantees of judicial independence.

In the general election held in June for the 8th State Great Khural (unicameral system, four-year term of office, 76 members), the ruling Mongolian People’s Party overwhelmingly won. In July it was decided that Prime Minister U. Khurelsukh would continue in his role, and a new Cabinet was inaugurated. Prime Minister Khurelsukh, in response to the worldwide spread of COVID-19, introduced strict immigration controls and epidemic prevention measures at an early stage to contain domestic outbreaks (the first case of community transmission was confirmed in November).

On the other hand, the COVID-19 epidemic directly impacted the domestic economy. In November, government economic statistics recorded a 14.3% decrease in tax revenue, a 2.8% decrease in exports, a 12.5% decrease in imports, and a 12.8% decrease in mining production compared to the same period in the previous year. The Government of Mongolia is implementing large-scale emergency economic measures.

B Japan-Mongolia Relations

2020 was a year in which Japan and Mongolia confirmed that they would further strengthen cooperation to strengthen their “Strategic Partnership,” with Mongolia as an important regional partner sharing universal values with Japan.

In May while the travel of dignitaries was suspended due to the COVID-19 epidemic, Foreign Minister Motegi held a telephone call with Minister for Foreign Affairs D. Tsogtbaatar. In October,



Japan-Mongolia Foreign Ministers' Meeting with Minister for Foreign Affairs N. Enkhtaivan (October 9, Ulaanbaatar, Mongolia)

shortly after the inauguration of the Suga administration, Foreign Minister Motegi visited Mongolia, held a meeting with new Minister for Foreign Affairs N. Enkhtaivan, and paid a courtesy call to President Kh. Battulga and Prime Minister U. Khurelsukh. The visit was greatly welcomed as Mongolia's first dignitary visit from a "third neighbor country (note: major countries, other than the neighboring countries of China and Russia, with which Mongolia pursues to strengthen relationships and cooperation)" after the spread of COVID-19, and Mongolia thanked Japan for its consistent support for Mongolia. During the visit, Japan and Mongolia agreed to further expand their "Strategic Partnership," looked forward to celebrating the 50th anniversary of the establishment of diplomatic relations in 2022, agreed to newly develop a "Mid-term Action Plan," and agreed on a policy of strengthening efforts toward the realization of a "Free and Open Indo-Pacific." In addition, cooperation for the smooth opening and operation of the New Ulaanbaatar International Airport was confirmed.

As strategic partners sharing universal values, Japan and Mongolia will deepen exchanges and relationships in all fields and will further strengthen cooperation in regional and international fields.

4 Southeast Asia

(1) Indonesia

As a major country in the Southeast Asia region

with the fourth largest population in the world (at approximately 267 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.

President Joko's second administration, which started in October 2019, is a stable administration where the ruling party controls approximately 74% of the seats in the People's Consultative Assembly, and, as priority issues, is implementing (1) infrastructure development, (2) human resources development, (3) investment promotion, (4) government reforms, and (5) appropriate execution of the state budget. Additionally, following the spread of COVID-19, since spring, large-scale social restrictions and economic measures are being implemented. With regard to investment promotion, the Government of Indonesia enacted an omnibus law on job creation in November for the purpose of attracting investment, which collectively amends related laws in 11 fields, such as employment, investment and simplification of authorization procedures for business.

Japan is actively promoting cooperation with Indonesia in the fields of infrastructure development and human resources development, which are priorities of the second Joko administration, and also cooperating to strengthen Indonesia's health and medical systems and as measures against COVID-19, including the provision of medical equipment, financial support loans and the provision of Avigan.

As for high-level bilateral exchanges with Japan, Foreign Minister Motegi visited Indonesia in January and held a Japan-Indonesia Ministerial-Level Strategic Dialogue. Even after the worldwide spread of COVID-19 restricted travel, two summit telephone calls and two foreign ministers' telephone calls were held, and opinions were closely exchanged on COVID-19 measures. In October, Prime Minister Suga visited Indonesia as part of his first overseas visit since taking office, and at the Summit Meeting with President Joko, Prime

Minister Suga confirmed coordination in politics, security, the economy, infrastructure development, oceans, disaster prevention, etc., and confirmed the further strengthening of cooperation on regional issues such as the South China Sea and North Korea (see the article on page 74).

(2) Cambodia

Cambodia is located at a strategic point along the Southern Economic Corridor, and is a key country in strengthening connectivity and narrowing the development gap in the Mekong-Southeast Asia region. Under a development policy centered on strengthening governance, Cambodia has continued to grow at an average rate of 7% for the past 20 years, and is aiming to become an upper middle-income country in 2030. In 2020, the sewing, tourism and construction industries, which are the driving forces for Cambodia's growth, declined due to COVID-19, and it is expected that growth will be negative for the first time since the establishment of the Royal Government of the Kingdom of Cambodia in 1993.

In 1992 Cambodia was the first country to which Japan deployed full-scale PKO and is the starting point for Japan's "Proactive Contribution to Peace." Bilateral relations, which have been cultivated based on cooperation in peace and subsequent reconstruction and development, were elevated to a "Strategic Partnership" in 2013, and are still deepening. In August 2020, Foreign Minister Motegi visited Cambodia as the first overseas dignitary since the spread of COVID-19, and he made a courtesy call to Prime Minister Hun Sen and held a Foreign Ministers' Meeting with Minister of Foreign Affairs Prak Sokhonn. A Foreign Ministers' telephone call was also held in October.

Regarding domestic affairs, the ruling Cambodian People's Party monopolized all seats in the 2018 National Assembly elections as the largest opposition, the Cambodia National Rescue Party, was dissolved the previous year. In a statement at the end of 2018, the Cambodian government announced

measures to improve the democratic environment, such as promoting domestic dialogue and expediting judicial proceedings, and has been proceeding since then. In January 2020, trial of opposition leaders who had been arrested in 2017 began, but was adjourned due to COVID-19 since March.

Japan is advancing efforts such as inviting young politics-oriented Cambodians including members of the ruling and opposition parties to support Cambodia's democratic development, and held the fourth round of invitations in January.

In the Khmer Rouge Tribunal, which Japan has been supporting for many years, it was confirmed in August that one suspect in the investigation would not be prosecuted, and if the other two cases under investigation are not prosecuted then it is highly likely that the tribunal will be completed with the ruling on the appeal of case 2-02, in which the defendant is a former head of state, scheduled for the end of 2022.

(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, although the People's Action Party (PAP), led by Prime Minister Lee Hsien Loong, won 83 of the 93 seats in the election in July and continues to occupy the overwhelming majority of seats in the Parliament, the PAP's overall share of the vote was only 61.24%, which was lower than the 69.86% in the previous 2015 election.

In 2020, although opportunities for travel decreased due to the impacts of COVID-19, high-level exchanges between the two countries are continuing through a summit telephone call and two foreign ministers' telephone calls. In August, Foreign Minister Motegi visited Singapore as his first visit to Asia after the spread of COVID-19, made a courtesy call to Prime Minister Lee Hsien Loong, and had a meeting with Minister for Foreign Affairs Vivian Balakrishnan. At the meeting, both



Japan-Singapore Foreign Ministers' Meeting
(August 13, Singapore)

countries agreed that, as gradual measures to resume international travel after strengthening border measures because of COVID-19, they would aim to start both a “Business Track” enabling business activities with a limited range of activities for 14 days after entry, and a “Residence Track” that is mainly focused on expatriates who are staying for the medium- to long-term.

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 provided training approximately 400 times with roughly 7,000 participants from ASEAN countries and other regions.

The Japan Creative Centre (JCC), which was opened in Singapore in 2009 as a platform to promote Japanese culture, distributed a variety of information and held events while taking measures against COVID-19 infections.

(4) Thailand

Thailand is one of the original member states of the Association of Southeast Asian Nations (ASEAN), which was born of the “Bangkok Declaration” in 1967. It is located in the center of the Mekong region and is a geopolitically important country.

Japan and Thailand are said to have a long history of exchanges over 600 years, and have traditionally maintained a friendly relationship. The establishment of diplomatic relations dates back



Courtesy call to Thai Prime Minister Prayut Chan-o-cha by
Foreign Minister Motegi (January 7, Bangkok, Thailand)

to the “Declaration of Amity and Commerce between Japan and Siam (Declaration of Amity)” in 1887. The current bilateral relationship is a “Strategic Partnership” in which both countries cooperate not only bilaterally, but also in the region and the international community. In addition, as a result of many years of official development assistance and investment by private companies from Japan, Thailand has become a major production center for Japanese companies, including the automobile industry, and today Thailand is an indispensable part of the Japanese economy as a part of the global supply chain, with more than 5,000 Japanese companies operating in Thailand and more than 70,000 Japanese nationals living in Thailand.

In 2013, following the introduction of a visa exemption measure for Thai nationals for short-term stay activities, the number of Thai tourists visiting Japan rapidly increased, and was approximately 1.32 million in 2019, before the spread of COVID-19. Thai nationals visiting Japan are ranked sixth in the number of travelers to Japan by country. In January, Foreign Minister Motegi visited Thailand, made a courtesy call to Prime Minister Prayut Chan-o-cha, and met with Minister of Foreign Affairs Don Pramudwinai. Although there was no travel of dignitaries after this visit due to the restrictions by the spread of COVID-19, high-level exchanges were continued through three telephone calls between Foreign Minister Motegi and Minister of Foreign Affairs

Don (note: concurrently serving as Deputy Prime Minister as well from August) across May, June and October.

On the domestic front of Thailand, against a background of economic and social disparities and the deterioration of the economic situation due to the spread of COVID-19, protests against the government and the monarchy have become active, especially among young people, and the unstable situation is continuing.

(5) Timor-Leste

Timor-Leste, the first country to achieve 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.

There are continuing efforts to coordinate with ASEAN countries so that Timor-Leste can join ASEAN, which is the most important foreign policy issue for Timor-Leste.

Domestically, the ruling party and President Francisco Guterres Lu-Olo continued to face off with each other, and national affairs were stagnant, but since January new coalitions have been sought between the political parties, triggered by

the division within the ruling coalition. As a result, by May 29 the VIII Constitutional Government had been formed by a new four-party National Assembly majority, which included the People's Liberation Party (PLP) led by Prime Minister Taur Matan Ruak as well as the Revolutionary Front for an Independent East Timor (Fretilin) led by President Lu-Olo, and the confrontation was resolved as a result of the cabinet reshuffle.

In January, Parliamentary Vice-Minister for Foreign Affairs Nakayama Norihiro visited Timor-Leste for a ceremony to celebrate the 20th anniversary of Japan's support for Timor-Leste, and also attended a ceremony for the completion of a new school building for the Faculty of Engineering Building of The National East Timor University and for the Dili Port ferry terminal, which were constructions via Japanese ODA. In doing so, together with President Lu-Olo, Prime Minister Ruak, and Minister for Foreign Affairs and Cooperation Dionisio Babo, the two sides strengthened bilateral cooperation in areas such as education, human resource development, people-to-people exchanges, as well as economy and infrastructure. They also enhanced the trilateral cooperation among Japan, Timor-Leste and Indonesia in the maritime field and others, as well as regional coordination.

In response to COVID-19, Japan is also providing support, such as the provision of medical equipment, to strengthen the health and medical system.

(6) The Philippines

The Philippines has consistently maintained a high growth rate of 6% or more since 2012, but in 2020 a negative growth rate is expected due to the impact of reduced remittances from overseas workers and restrictions on domestic economic activities that were introduced because of the spread of COVID-19. President Rodrigo R. Duterte has gained high public confidence for new COVID-19 countermeasures, and has demonstrated strong leadership in responding to priorities



Parliamentary Vice-Minister for Foreign Affairs Nakayama meeting Minister for Foreign Affairs and Cooperation Babo (January 14, Dili, Timor-Leste)



Japan-Philippines Foreign Ministers' Meeting
(January 9, Manila, Philippines)

such as anti-corruption, security and counterterrorism. As for the Mindanao Peace Process, the work for establishing an autonomous government for 2022 is continuing, and as of March, 12,000 people, equivalent to 30% of the Moro Islamic Liberation Front (MILF) soldiers, have retired and relinquished their weapons.

In order to further strengthen the “Strategic Partnership” between Japan and the Philippines, in January Foreign Minister Motegi visited Manila, paid a courtesy call to President Duterte, met with Secretary of Foreign Affairs Teodoro Locsin and with Secretary of Finance Carlos Dominguez, visited the Philippine Coast Guard, and inspected a patrol boat whose construction the Government of Japan had supported through an ODA yen loan. Even after international travels were disrupted by the impacts of COVID-19, there were active exchanges among dignitaries, and two summit telephone calls and a foreign ministers’ telephone call were held.

On the security front, in August a contract to deliver warning and control radars to the Philippines was signed as the first overseas transfer of domestically-produced finished equipment, further promoting cooperation. Meanwhile, on the economic front, in January the Government of the Republic of the Philippines decided to remove all import restrictions on Japanese food products, which had been in place after the Great East Japan Earthquake. Furthermore, in October, Japan continued to provide powerful

support to the Government of the Republic of the Philippines’ robust infrastructure development policy, “Build, Build, Build,” by way of holding the 10th Japan-Philippines High Level Joint Committee on Infrastructure Development and Economic Cooperation, a mechanism that was launched to steadily implement Prime Minister Abe’s January 2017 pledge to render public and private assistance to the tune of 1 trillion Japanese yen over five years. In addition, Japan is cooperating in providing medical equipment, financial support loans and Avigan tablets for disaster response and COVID-19 countermeasures.

(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. Although it is a constitutional monarchy and has a Legislative Council, the Sultan concurrently serves as the Prime Minister, Minister of Finance and Economy, Minister of Defence and Minister of Foreign Affairs, and therefore holds an impressively strong authority. Located in the center of Southeast Asia, the country is one of the claimant countries in the South China Sea and has adopted a balanced diplomacy built on the pillar of promoting ASEAN unity and centrality.

Although Brunei’s economic growth rate is projected to remain positive in 2020, supported by a joint oil refining venture with China, the Government of Brunei is aiming for economic diversification to avoid overreliance on energy resources.

Since Japan and Brunei established diplomatic relations 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, and His Majesty Sultan Haji Hassanal Bolkiah visited Japan in October 2019 to attend the Ceremony of the Enthronement of

His Majesty the Emperor. 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. Japan has decided to support Brunei, which will become the Chair of ASEAN in 2021, to improve its counter-terrorism capabilities through the United Nations Office on Drugs and Crime (UNODC).

(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 achieve 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. In 2020, Viet Nam served as the ASEAN chairman and as a non-permanent member of the UN Security Council, expanding its role in the international community.

Japan and Viet Nam have been advancing cooperation in a variety of areas under the Extensive Strategic Partnership for Peace and Prosperity in Asia. High level officials have made frequent visits to each country. In January, Foreign Minister Motegi visited Viet Nam, met with Prime Minister Nguyen Xuan Phuc, with Deputy Prime Minister and Minister of Foreign Affairs Pham Binh Minh, and with Minister of Industry and Trade Tran Tuan Anh. In March and June telephone calls were held between Foreign Minister Motegi and Deputy Prime Minister and Minister of Foreign Affairs Minh, and in May and August telephone calls were held between Prime Minister Abe and



Prime Minister Suga visiting Viet Nam
(October; Photo: Cabinet Public Relations Office)

Prime Minister Phuc. In October, in addition to a telephone call between Prime Minister Suga and Prime Minister Phuc, Prime Minister Suga visited Viet Nam as his first overseas visit since being inaugurated. During his visit to Viet Nam, Prime Minister Suga and Prime Minister Phuc agreed in a summit meeting to begin operating a “Business Track” and to resume regular two-way passenger flights in order to recover from COVID-19. Additionally, Prime Minister Suga met with General Secretary and President Nguyen Phu Trong, Chairwoman of National Assembly Nguyen Thi Kim Ngan, and President Pham Minh Chinh of the Viet Nam-Japan Parliamentary Friendship Association, and gave a policy speech at the Vietnam-Japan University, wherein he declared that Japan would continue to lead contributions to regional peace and prosperity as an “Indo-Pacific State” (see the article on page 74).

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 490,000 in 2019. The number of Vietnamese living in Japan rose from about 40,000 in 2011 to about 420,000 in June 2020, 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 the Strait of

Prime Minister Suga Visits Viet Nam and Indonesia

From October 18 to 21, Prime Minister Suga visited Viet Nam, which held the ASEAN Presidency in 2020, and Indonesia, a core country in ASEAN, as the first overseas visits since his inauguration. During the visits he deepened Japan's relationship of trust with ASEAN, which is both a friend and a Strategic Partner, and the trip was also an important opportunity to declare Japan's determination to steadily realize a "Free and Open Indo-Pacific (FOIP)" while in close cooperation with ASEAN countries, which are critical to realizing FOIP.

During his visit to Viet Nam, Prime Minister Suga held a summit meeting with Prime Minister Phuc, and agreed to begin operation of a "Business Track" and to resume regular two-way passenger flights in order to recover from COVID-19. The two leaders also agreed to strengthen cooperation between Japan and Viet Nam, such as by diversifying supply chains and supporting Vietnamese residents in Japan who are facing difficult living situations amidst the COVID-19 epidemic. Additionally, they confirmed the strengthening of bilateral relations, such as cooperation in the security field, including the agreement in principle on the transfer of defense equipment and technology, economic cooperation such as infrastructure development, disaster prevention and cooperation in the agriculture field. Furthermore, Prime Minister Suga and Prime Minister Phuc confirmed that they would work closely on the regional situation and fully support the ASEAN Outlook on the Indo-Pacific (AOIP), which has many essential similarities with FOIP.

During his visit, Prime Minister Suga also had a meeting with General Secretary of the Communist Party of Viet Nam and President Trong and Chairwoman of National Assembly Ngan, and received a courtesy call from President Chinh of the Viet Nam-Japan Parliamentary Friendship Association. Additionally, an exchange of opinions with students was conducted at the Vietnam-Japan University, and Prime Minister Suga provided a foreign policy speech for the first time since his inauguration with "building together the future of the Indo-Pacific" as the theme. Prime Minister Suga's speech confirmed the strong partnership between Japan and ASEAN through cooperation on connectivity and human resources development. He also emphasized that the AOIP and FOIP share essential principles, that Japan fully supports AOIP, and the importance of the rule of law. Japan-Viet Nam relations are formed through a "Strategic Partnership" of 16 agreements, etc., in a wide range of public and private fields, and taking the opportunity of Prime Minister Suga's visit, the two countries praised the dramatic development that has resulted across the board, such as in politics, the economy, culture and person-to-person exchanges.

In Indonesia, following the visit to Viet Nam, Prime Minister Suga had a summit meeting with President Joko, exchanged opinions with Japanese companies, paid a courtesy call to former Japanese students, and offered flowers at the Kalibata Heroes Cemetery.

At the Japan-Indonesia Summit Meeting, Prime Minister Suga conveyed Japan's full support for AOIP, which shares many essential points with FOIP, and both leaders agreed to cooperate as maritime states toward the realization of a free and open maritime order. Additionally, they agreed on cooperation in the political and security fields and on strengthening cooperation to improve the investment environment in Indonesia, including the early implementation of a Foreign and Defense Ministers' Meeting ("2+2"), the promotion of remote island development, infrastructure cooperation and human resources development, and expanding cooperation between the two countries to recover from COVID-19, including by strengthening the health sector and supply chains.

As an "Indo-Pacific State," Japan will continue to work with ASEAN to create a peaceful and prosperous future for the Indo-Pacific region.

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 Bumiputra (Malay including indigenous peoples) (69%), Chinese (23%) and Indian people (7%), among others.

In February, following the resignation of Prime Minister Mahathir bin Mohamad due to internal administration conflicts, Prime Minister Muhyiddin Yassin has been focusing on anti-COVID-19 measures immediately after he took office in March. Although the impacts of COVID-19 have decreased the bilateral travel of dignitaries when compared to a normal year, a foreign ministers' telephone call was held, and in August Foreign Minister Motegi visited Malaysia as part of his first visit to Asia since the worldwide spread of COVID-19, and had a meeting with Minister of Foreign Affairs Hishammuddin Hussein and Senior Minister and Minister of International Trade and Industry Mohamed Azmin bin Ali.

In terms of specific cooperation between the two countries, Japan and Malaysia agreed to maritime cooperation, such as oil prevention and anti-piracy measures, cooperation amidst the spread of COVID-19, and to begin a "Residence Track" that enables traffic between the two countries of primarily medium- to long-term residents. Additionally, Japan supported Malaysia through the provision of Avigan as well as technical assistance and healthcare supply assistance through international organizations.

In the field of human resources development, 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 26,000 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 (MJIIIT), which was opened in September 2011, a base for Japanese-style engineering education

in ASEAN countries. In addition, discussions are being held to establish a branch school of the University of Tsukuba in Malaysia, and, if realized, it will be the first overseas branch school to be established by a Japanese university.

On the economic front, Japan is the biggest investor to Malaysia (2019), and roughly 1,500 Japanese companies have been operating in Malaysia, which demonstrates a continued close relationship between the two countries.

(10) Myanmar

In Myanmar, the National League for Democracy (NLD) gained the support of the majority of the people in the 2015 general elections, and a new administration led by State Counsellor Aung San Suu Kyi was inaugurated in March 2016. Since then it has been making efforts for the consolidation of democracy, national reconciliation, and economic development. A general election was held in November 2020, and the NLD once again won an overwhelming victory.

In holding the November 2020 general election, the Government of Japan provided special ink to prevent double voting, dispatched an election monitoring team headed by Sasakawa Yohei, Special Envoy of the Government of Japan for National Reconciliation in the Republic of the Union of Myanmar, and confirmed that free and fair elections were peacefully held.

However, after the general election, the Myanmar Armed Forces repeatedly claimed that there was election fraud, such as duplication of voter list information. The Union Election Commission, the Pyidaungsu Hluttaw legislature, and the Government of Myanmar did not accept these claims, and before dawn on February 1, 2021 the Myanmar Armed Forces detained NLD leaders, including State Counsellor Aung San Suu Kyi and President Win Myint, and a number of legislators. On the same day, the acting president (Vice President of the Myanmar Armed Forces) declared an emergency and delegated full authority to Senior General Min Aung Hlaing. The people

opposed the coup d'état by the Myanmar Armed Forces, and disobedience movements spread nationwide. Demonstrations of tens of thousands of people were held on consecutive days in addition to boycotts by bureaucrats at public institutions. In response, the Myanmar Armed Forces announced a curfew in the Yangon region and other areas, and instituted a ban on gatherings of five or more people in public places. The Myanmar Police Force also suppressed the protesters by using water cannons, tear gas and rubber bullets in some cases. Japan has grave concerns that the process of democratization is being undermined, and issued a statement by the Foreign Minister on the day of the coup d'état. Japan strongly urges the Myanmar Armed Forces to immediately cease violent responses to civilians, to release detained officials including State Counsellor Aung San Suu Kyi, and to restore the democratic political system as soon as possible.

Japan has provided full-fledged support to Myanmar's democratic nation building by bringing together the public and private sectors, based on the recognition that the stability and development of Myanmar, which has a historical friendship with Japan, has huge potential for economic development, and its geopolitical importance is directly related to stability and prosperity throughout the entire region. The total contribution of 800 billion Japanese yen from the public and private sectors over five years, which was announced by Prime Minister Abe in 2016, has been implemented in a wide range of fields centered on Yangon urban development, electrical power and transportation infrastructure.

In Myanmar's western state of Rakhine, more than 700,000 people were displaced to Bangladesh due to armed groups' attacks on Myanmar security forces' bases in August 2017. 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. In

addition, Japan has provided humanitarian aid and infrastructure development assistance to displaced persons and residents in Rakhine State, and has also provided humanitarian aid for displaced persons and host communities on the Bangladesh side. Furthermore, with regard to the allegations of human rights violations in Rakhine State, Japan is urging the Government of Myanmar and the Myanmar Armed Force to investigate and prosecute in a transparent manner based on the recommendations of an independent investigative team established by Myanmar, and to steadily implement the provisional action order by the International Court of Justices.

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, and until now ten ethnic armed groups had signed the Nationwide Ceasefire Agreement (NCA). In order to achieve a lasting ceasefire and regional stability, Japan is providing indirect support for peace dialogues between stakeholders, centered around Sasakawa Yohei, Special Envoy of the Government of Japan, and is providing reconstruction and development support to improve the lives of local residents and realize a ceasefire.

Japan will take necessary measures while closely monitoring the situation.

(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. Domestically in 2020, while stable administration operation was carried under the one-party rule of the People's Revolutionary Party, preparations were made at the central and local levels for the 11th People's Revolutionary Party Congress, scheduled for 2021. In terms of economy, while working on fiscal stabilization as a top priority, the effects of COVID-19 have impacted tourism and other service industries, and it is predicted



Japan-Laos Foreign Ministers' Meeting (August 23, Laos)

that the Laos's economic growth rate, which has maintained a high level of approximately 6~7%, will decline.

In March, Japan and Laos celebrated the 65th anniversary of the establishment of diplomatic relations and marked the fifth anniversary of their "Strategic Partnership." In August 2020, Foreign Minister Motegi visited Laos as the first overseas dignitary since the spread of COVID-19, and in addition to meeting with Prime Minister Thongloun Sisoulith and Minister of Foreign Affairs Saleumxay Kommasith, in October Foreign Minister Motegi and Minister of Foreign Affairs Saleumxay had a telephone call. Japan and Laos also implemented a variety of cooperative actions in the field of economic cooperation. For financial stabilization support, which was strongly requested by the Government of Laos, policy proposals that would be the results of the support were compiled in January, and cooperation was continued by dispatching experts. Japan has supported the drafting of the Civil Code since 2012, and in May it was enacted, becoming a culmination of many years of legal development support for Laos. When Foreign Minister Motegi visited Laos in August, a ceremony was held for the delivery of medical equipment and materials with grant aid as part of support for measures against COVID-19, and it was decided to implement further grant aid in fields such as teacher training and urban transportation. In this way, steady progress has been seen for the "Japan-Lao PDR Joint Development Cooperation Plan" announced by both leaders in

September 2016, and numerous efforts have been made to realize a "Free and Open Indo-Pacific." Regarding cultural exchange, the "Japan Festival" was held in Vientiane in January, which deepened mutual understanding by the people 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. Additionally, India has the third largest economy in Asia, with the world's second largest population and a huge middle-income group. In recent years, India has been implementing a variety of economic initiatives, including "Make in India," and has been realizing steady economic growth. Although India's economy has significantly contracted due to the spread of COVID-19, it is aiming for an economic recovery through the promotion of its manufacturing industry with the new "Self-reliant India" campaign. 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.

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, and under the "Japan-India Special Strategic and Global Partnership," have broadly deepened cooperation in their economies, security, people-to-people exchanges, etc. The Japan-India relationship is the most promising bilateral relationship in the world, and its importance is increasing as the uncertainty of the existing international order increases. Additionally, India is an important partner in realizing a "Free and Open Indo-Pacific," and multilateral cooperation, such as between Japan, Australia, India and



13th Japan-India Foreign Ministers' Strategic Dialogue (October 7, Tokyo)

the U.S., is progressing. The deepening of bilateral and multilateral cooperation between Japan, which faces the Pacific Ocean, and India, which is located in the center of the Indian Ocean, will greatly contribute to the peace and prosperity of the Indo-Pacific region. India is also an indispensable player in building the economic order in the Indo-Pacific region, and in that sense, it is expected that India will return to the RCEP Agreement in the future.

In 2020, amidst the response to COVID-19, Japan and India continuously had high-level exchanges of opinions, including Japan-India Summit telephone calls. At the summit telephone call held in September immediately after Prime Minister Suga took office, both Prime Ministers shared their view to contribute to advance the partnership between Japan and India. In October, Japan and India seized the opportunity of the Second Japan-Australia-India-U.S. Foreign Ministers' Meeting in Tokyo and held a face-to-face Japan-India Foreign Ministers' Strategic Dialogue, where they reaffirmed the importance of cooperation toward the realization of a "Free and Open Indo-Pacific," Japan-India cooperation in third countries, such as ASEAN and Southwest Asian countries, and the steady progress on the high-speed rail project. Additionally, concrete cooperation frameworks are progressing, such as the signing of the Agreement Between the Government of Japan and the Government of the Republic of India Concerning Reciprocal Provision of Supplies and Services Between the Self-Defense Forces of Japan

and the Indian Armed Forces (Japan-India ACSA) in September. India is the sixth country that Japan has signed an ACSA Agreement with, after the U.S., Australia, the UK, Canada and France. If the agreement is concluded in the future, then it is expected that not only will it promote cooperation between the Self-Defense Forces of Japan and the Indian Armed Forces on the ground, but also Japan and India will contribute even more actively to international peace and security.

In response to the spread of COVID-19, Japan is also cooperating in strengthening India's health and medical systems through the provision of emergency yen loans of 50 billion Japanese yen and grant aid of 1 billion Japanese yen for the purpose of providing medical equipment at the end of August.

(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 more than 200 million, and approximately 60% of the total population is under 25 years old, thus making its economic potential high. In foreign relations, the India-Pakistan relationship has remained tense since August 2019 when the Government of India decided to revoke Article 370 of the Constitution, which recognized the special status

of Jammu and Kashmir. Furthermore, under the “All Weather Strategic 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. The relationship with the U.S. remained stagnant for a period of time, with Pakistan being criticized by name in the Trump administration’s new South Asia strategy, but has been improving with the cooperative relationship developed for bringing peace to Afghanistan since July 2019 when Prime Minister Imran Khan visited the U.S. and established a personal relationship with U.S. President Donald Trump. On the economic front, the growth rate in FY2018/2019 of 3.3% sharply dropped to -0.4% in FY2019/2020 due to the impact of COVID-19. The Khan administration has faced a serious shortage of foreign currency reserves since its inauguration, and it has been working on negotiations for support from its friendly countries and the implementation of IMF programs.

With regard to the relations with Japan, Federal Minister for Economic Affairs Division Muhammad Hammad Azhar visited Japan in January and met with Finance Minister Aso Taro and State Minister for Foreign Affairs Wakamiya Kenji. Following this, even under the impact of COVID-19, Foreign Minister Motegi held a telephone call with Foreign Minister Shah Mahmood Qureshi in May, and Defense Minister Kono Taro held a telephone call with Chief of Army Staff Qamar Javed Bajwa in August, maintaining and strengthening bilateral relations.

(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. Furthermore, with the deterioration in peace and order in Rakhine State of Myanmar since August 2017, more than 700,000



Parliamentary Vice-Minister for Foreign Affairs Kokuba attends the Donor Conference on Sustaining Support (teleconference) for responses to the displaced persons from Rakhine State of Myanmar (October 22, Tokyo)

displaced persons have flooded into Bangladesh, but their return has not yet been realized. There are concerns that their prolonged displacement will put a growing burden on the host community and that local peace and order will deteriorate. On the economic front, the country maintained high growth and recorded a steady economic growth rate of around 8.13% in 2019, thanks to robust exports mainly of textile products.

Bangladesh was impacted by COVID-19 in the first half of 2020 but has been on a recovery trend since then. With a population of around 165 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 continuing to attract attention. The number of Japanese-affiliated companies developing business in the country has increased from 61 in 2005 to 315 in 2020. 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.

As for relations with Japan, Prime Minister Abe held a telephone call with Prime Minister Sheikh Hasina in August, confirming cooperation to bring COVID-19 to a close and the further strengthening of bilateral relations, and additionally had a close discussion on the issue of displaced persons from Rakhine State of Myanmar. In October a donor conference was held in support of the displaced persons, co-sponsored by the U.S., EU, UK and the

United Nations High Commissioner for Refugees (UNHCR). Parliamentary Vice-Minister for Foreign Affairs Kokuba Konosuke explained Japan's support for improving the environment for the return of the displaced persons in Rakhine State of Myanmar, and Japan's support for the host communities and the displaced persons in Bangladesh.

(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. With regard to domestic politics, after President Gotabaya Rajapaksa was elected in the November 2019 presidential election, in the general election which was postponed to August 2020 due to the impact of COVID-19, the ruling Sri Lanka Podujana Peramuna party led by Prime Minister Mahinda Rajapaksa won with 145 seats, greatly exceeding a majority (113 seats) in parliament, and solidified the political system. 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, with GDP per-capita recorded at 3,852 US dollars in 2019. Economic growth in 2019 was only 2.3% due to the effects of terrorist bombings that occurred that year, and in 2020 the economy was depressed due to the impacts of COVID-19, but given the geopolitical importance of the country and its access to the Indian market, an even higher growth rate is expected.

In relations with Japan, the 4th Sri Lanka-Japan Dialogue on Maritime Security, Safety and Oceanic Issues was held via teleconference in October.

(5) Nepal

Nepal has geopolitical importance as an inland state in South Asia between the great powers of China and India. For many years, Japan has been a major donor to Nepal and the two countries have traditionally built friendly relations through

a variety of exchanges including between the imperial family and the former royal family, and through mountaineering. In domestic affairs, under the new constitution, the first federal, local and regional elections were held in 2017, and in February 2018, Prime Minister K.P. Sharma Oli was inaugurated. In the economy, particularly amidst the spread of COVID-19, Nepal is taking economic measures to reduce or exempt tariffs and corporate taxes on small and medium-sized enterprises and to create jobs for 700,000 people.

Regarding the relationship with Japan, Parliamentary Vice-Minister for Foreign Affairs Nakayama Norihiro visited Nepal in January and paid a courtesy call to President Bidhya Devi Bhandari and Prime Minister Oli. In March, a direct flight between Narita and Kathmandu went into service, and there were moves to promote people-to-people exchanges.

In June Japan also exchanged notes regarding grant aid of 300 million Japanese yen for the provision of health and medical equipment, and provided support via international organizations.

(6) Bhutan

Bhutan sets Gross National Happiness (GNH) as a guideline of the administration and is 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, etc., under the 12th Five-Year Plan (from July 2018 until June 2023).

In June, Japan exchanged notes with Bhutan, where there has been a concern about the impact of COVID-19, regarding grant aid of 300 million Japanese yen for the provision of health and medical equipment, and provided support via international organizations.

(7) The Maldives

Located in a strategically important location in the Indian Ocean, the Maldives is an important partner to Japan in achieving a "Free and Open

Indo-Pacific.” Economic growth in the Maldives is mainly led by fishing and tourism, which account for about 30% of GDP, and the country’s per-capita GDP has reached the highest level in South Asia. However, the economy has sharply fallen since the spread of COVID-19, primarily from the shock to the tourism industry. In domestic affairs, the Solih administration was launched in November 2018. In the parliamentary election 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 Ibrahim Mohamed 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, State Minister for Foreign Affairs Wakamiya Kenji and Minister of Foreign Affairs Abdulla Shahid held a telephone call in April and confirmed that the two countries would work in close coordination on measures against COVID-19, and such efforts are continuing to strengthen bilateral relations.

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 Scott

Morrison replaced Prime Minister Malcolm Turnbull in August 2018.

With the region facing a variety of issues, the



Japan-Australia Summit Meeting
(November 17, Tokyo; Photo: Cabinet Public Relations Office)

“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 sixth anniversary of its effectuation, and the TPP11 Agreement that entered into force at the end of 2018.

At the September Japan-Australia Summit telephone call with Prime Minister Morrison, which was the first telephone call with a foreign leader since the inauguration of Prime Minister Suga, Japan and Australia confirmed that, as “Special

Special
FeatureBushfires in Australia;
Dispatch of Japan Disaster Relief (JDR) Self-Defense Force Units**1. Outbreak and damage of bushfires**

The worst bushfires in history spread across the whole of Australia from September 2019. The fires, which continued to rage until March 2020, resulted in the loss of 33 lives and the destruction of more than 3,100 homes, among other damages that extended across more than 12 million hectares of land, larger than the whole of the Kanto and Koshinetsu region. This area of damage was 25 times that of the damage in the bushfires of 2009, which had been recognized as the worst in Australian history. The bushfires also resulted in many deaths among Australia's indigenous animal species that live in unique ecosystems, such as koalas. Direct damage alone is estimated to have reached close to 100 billion Australian dollars (approximately 7.6 trillion Japanese yen). Smoke from the bushfires also led to the closure of port facilities and construction sites, while the amount of private insurance claims associated with the bushfires has reached 1.9 billion Australian dollars. During this period, the number of foreign tourists fell by 10 to 20%, and the resulting loss of profits from tourism was estimated to be 4.5 billion Australian dollars.

2. Response by the Government of Australia

For the first time in history, the Government of Australia issued a compulsory call-up to 3,000 reservists from the Australian Defense Force to provide assistance in responding to the bushfires, while up to 6,500 personnel from the Australian Defense Force provided various forms of assistance in the areas of transportation, evacuation of residents, and the provision of relief supplies.

The National Bushfire Recovery Agency was established to manage at least 2 billion Australian dollars of funds over two years from 2020, with the aim of providing financial assistance to victims. In addition, a total of 60 million Australian dollars of assistance was disbursed to 42 municipalities that had suffered serious damage. The Government of Australia also decided to provide 76 million Australian dollars for the support of victims' mental health, 50 million Australian dollars for the support of industries in the affected regions, and 76 million Australian dollars for the support of the tourism industry.

A royal commission was also set up to evaluate the causes of the bushfires and the government response.

3. Support from Japan and other countries

To respond to these bushfires, Japan, as well as the U.S., Canada, New Zealand and other countries extended their assistance to Australia.

Based on the Act on Dispatchment of the Japan Disaster Relief Team, the Government of Japan decided to dispatch Self-Defense Force (SDF) personnel and two JASDF C-130H Transport Aircraft to provide assistance in responding to the bushfires, as well as to provide emergency relief supplies, such as dust respirator masks, through the Japan International Cooperation Agency (JICA). In response to this, about 70 SDF personnel and two transport aircraft provided transportation for approximately 11 tons of vehicles and fire extinguishing equipment, as well as approximately 600 people including Australian Defense Force personnel, firefighters and victims. Respecting the Australian government's assessment that the imminent threat had been mitigated and that it was possible for the Australian forces to respond on their own, the SDF concluded its activities on February 8. Japan's assistance was also covered in reports by the major TV stations in Australia, and articles published by the respective news agencies recorded an unprecedented number of hits and received numerous positive comments from the people of Australia.

Furthermore, the Japan Meteorological Agency continued providing observation images and data obtained from the meteorological satellite Himawari from November 2019 till the end of January 2020. Private Japanese corporations have also donated a total of about 5 million Australian dollars to the Government of Australia and other organizations, and contributed to the bushfire response. Japan's assistance on this occasion has left a strong mark on the friendly relations between the two countries.



Transportation of Australian Defense Force vehicles by the SDF transport aircraft (Photo: Ministry of Defense)



Australian Firefighters boarding the SDF aircraft (Photo: Ministry of Defense)

Strategic Partners,” both countries will further develop their complementary economic relationship, and, in anticipation of COVID-19 being brought to a close, confirmed that they would deepen cooperation for the realization of a “Free and Open Indo-Pacific” and for the stability and prosperity of the international community as a whole, and they also confirmed the importance of collaborating with like-minded countries in the region. Additionally, at the summit meeting held when Prime Minister Morrison visited Japan in November, which was the first visit of a foreign leader since the spread of COVID-19 and since the inauguration of Suga administration, the two leaders confirmed that the two countries had reached an agreement in principle on the “Japan-Australia Reciprocal Access Agreement,” which they had been negotiating to elevate security and defense cooperation between Japan and Australia to a new level. With regard to the economy, they confirmed that they will continue to collaborate on WTO reform including the reforms to the Appellate Body, rule-making on electronic commerce, and issues of “developing countries.” In addition to celebrating the signing of RCEP, they agreed to work closely and to play leading roles in Japan and Australia for RCEP’s early entry into force, and the leaders also confirmed that they will continue to cooperate toward the steady implementation and expansion of the TPP11 Agreement.

As for between foreign ministers, Foreign Minister Motegi held a meeting with his Australian counterpart Marise Payne, who visited Japan for the Second Japan-Australia-India-U.S. Foreign Ministers’ Meeting in October. With regard to security and defense cooperation, they affirmed the need not only to deepen their cooperation, but also to widen its scope in order to tackle contemporary new challenges. In regard to the economy, the Ministers discussed ways to resume travel between the two countries while maintaining preventive measures against the spread of COVID-19 as a way to develop economic relations between the two countries.

In a typical year, the 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 with it. 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) (see the Special Feature on page 82).

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 willingness and ability to actively contribute to regional stability and prosperity. At the Japan-Australia Summit Meeting in November, the two leaders confirmed that the two countries had reached an agreement in principle on the Japan-Australia Reciprocal Access Agreement, and the two countries are accelerating the remaining necessary work toward an early signing. Additionally, Japan and Australia aim to strengthen economic security cooperation in fields such as telecommunications and critical minerals. Furthermore, Japan and Australia, as allies of the U.S., continue to further strengthen cooperation between Japan, the U.S. and Australia.

C Economic Relations

As shown by Japan and Australia spearheading the TPP11 Agreement, which entered into force in December 2018, the two countries are working closely and demonstrating leadership in promoting the regional free trade order, including the RCEP Agreement. Mainly industrial products such as automobiles are being exported from Japan to

Australia, while mainly energy resources such as coal and natural gas, and agricultural products such as beef are being imported into Japan from Australia, in a mutually complementary economic relationship that has been developed steadily over the years. In recent years new cooperation efforts have been progressing, such as hydrogen-related efforts. Since the spread of COVID-19, the movement of goods, funds and people between Japan and Australia has been stagnating, the two countries are discussing ways to develop economic relations in a way that is compatible with measures to prevent the spread of COVID-19.

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. Until travel restrictions were enforced due to the spread of COVID-19, a variety of initiatives had been implemented in order to strengthen the foundation of Japan-Australia relations, including the promotion of mutual understanding through JENESYS, the exchange program including young people, and the “New Colombo Plan” as well as the Young Political Leaders Exchange. Both Japan and Australia will continue to work on the appropriate and steady operation of the Japan-Australia Working Holiday Program, which celebrated its 40th anniversary in 2020.

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. Australia deployed the Royal Australian Navy frigate ARUNTA to

undertake monitoring and surveillance activities in the adjacent ocean areas around Japan, including the East China Sea since late October, by doing so, for the fourth time since 2018, Australia has engaged in monitoring and surveillance activities against illicit maritime activities, including ship-to-ship transfers with North Korean flagged vessels, which are prohibited by UN Security Council resolutions. In addition, from late September through late October, Australia engaged in monitoring and surveillance activities for the seventh time since 2018 by aircraft, using Kadena Air Base.

(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. In the general election in October, the ruling Labour Party, led by Prime Minister Jacinda Ardern, signed a cooperation agreement (non-Cabinet participation cooperation agreement) with the Greens, and a new administration was inaugurated.

B Telephone Calls with Dignitaries

Amidst the global spread of COVID-19, Japan and New Zealand, through telephone calls at the summit and foreign ministers’ levels, have been conducting close exchanges of opinions on responses to COVID-19, on cooperation in the Pacific Island region and on regional affairs. In November, Prime Minister Suga held a summit telephone call with the reappointed Prime Minister Ardern. As important “Strategic Cooperative Partners” in the Indo-Pacific region sharing common values, the leaders encouraged cooperation

between Japan and New Zealand on efforts to realize a “Free and Open Indo-Pacific,” on the expansion of a free and fair economic order through WTO reform and mechanisms such as the TPP11 Agreement and the RCEP Agreement, and in the field of security.

As for between foreign ministers, Foreign Minister Motegi held three telephone calls with his New Zealand counterpart Winston Peters (in April, June and September) to exchange opinions on issues such as responses to COVID-19, and they agreed that both countries would continue to cooperate, including in regional situations, under the “Strategic Cooperative Partnership” between Japan and New Zealand. Additionally, in December a foreign ministers’ telephone call was held with Minister of Foreign Affairs Nanaia Mahuta, newly appointed in November, and they confirmed that they will continue to strengthen bilateral relations and to promote cooperation in the international arena.

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 including the RCEP Agreement and WTO reforms. 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 with the aim of vitalizing the sheep industry in Hokkaido.

D Cultural and People-to-People Exchanges

People-to-people exchanges between Japan and New Zealand, such as for youths, take place through exchange programs like JENESYS, and more than 1,100 people had participated by 2019 before travel restrictions were enforced because

of the spread of COVID-19. Additionally, the 44 sister city relationships that have been cultivated between Japan and New Zealand over many years are fertile ground for people-to-people exchanges, and networking between sister cities is making progress with the aim of promoting mutual understanding among youth. Furthermore, the New Zealand Government sponsored “Game On English,” which extends support to English language education for Japanese students through rugby and boating.

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 with North Korean-flagged vessels, which are prohibited by UN Security Council resolutions, in October New Zealand engaged in monitoring and surveillance activities for the third time since 2018 by aircraft, using Kadena Air Base. Furthermore, Japan and New Zealand have collaborated in regional cooperation frameworks such as the East Asia Summit (EAS), the ASEAN Regional Forum, Asia-Pacific Economic Cooperation (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

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 the Pacific Islands Leaders Meeting (PALM) once every three years since 1997. In February

2020, senior officials from Japan and the Pacific Island countries exchanged views in Tokyo on cooperation with the Pacific Island region as part of preparations for the Ninth Pacific Islands Leaders Meeting (PALM9) in 2021. The meeting was co-chaired by Mr. Takata Toshihisa, Ambassador for the Pacific Island Region, and Mrs. Camilla Solomon, Secretary for Foreign Affairs and Trade of Republic of Nauru, and was attended by senior officials from Pacific Island countries and regions, and there were frank exchanges of opinions on cooperation with the region. In addition, at the PALM Ministerial Interim Meeting in October 2020 that was held via teleconference, Foreign Minister Motegi co-chaired the meeting with Mr. Simon Kofe, Minister of Justice, Communications and Foreign Affairs of Tuvalu, and they followed up on the Eighth Pacific Islands Leaders Meeting (PALM8) that was held in 2018. At the Ministerial meeting, the Ministers confirmed to continue to work closely for the success of PALM9 in 2021.

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

In 2020, the fourth, fifth and sixth meetings of the Interagency Committee for the Promotion of Cooperation with Pacific Island Countries, which is comprised of relevant governmental ministries and agencies, were held under the leadership of Special Advisor to the Prime Minister Kihara Minoru and Special Advisor to the Prime Minister Izumi Hiroto. In addition to discussing specific measures for strengthening policies toward Pacific Island countries, it was confirmed that further discussions would be held in preparation for PALM9 in 2021, in order for relevant ministries and agencies to continue to cooperate and to promote “All Japan” efforts.

C Meetings with Dignitaries.

In February 2020, Parliamentary Vice-Minister for Foreign Affairs Nakayama Norihiro led a public-private joint economic mission to Fiji, and had a meeting with Prime Minister Josia Voreqe



Foreign Minister Motegi meets with Prime Minister Marape (August 21, Papua New Guinea)



Video message from Parliamentary Vice-Minister for Foreign Affairs Nakanishi on the 50th anniversary of the establishment of diplomatic relations between Japan and Fiji (October 22, Tokyo)

Bainimarama and Foreign Affairs Minister Inia Seruiratu. In July, Parliamentary Vice-Minister for Foreign Affairs Nakayama had a meeting with Mr. Ishikeli Uluinairai Mataitoga, Ambassador of Fiji to Japan, Mr. Francis Mariur Matsutaro, Ambassador of the Republic of Palau to Japan, and Dr. Tevita Suka Mangisi, Ambassador of the Kingdom of Tonga to Japan.

In August 2020, Foreign Minister Motegi visited Papua New Guinea and met with Prime Minister James Marape. At the meeting, Foreign Minister Motegi discussed Japan's support of more than 1 billion Japanese yen to strengthen health care systems, including medical supplies and equipment supplies, as well as budgetary support for early recovery of the PNG economy, which has been impacted by COVID-19. In response, Prime Minister Marape expressed his gratitude for Japan's robust support. Foreign Minister Motegi and Prime Minister Marape also signed the “Statement of Intent to Further Promote

Bilateral Relations between Japan and Papua New Guinea.” In December, Parliamentary Vice-Minister for Foreign Affairs Nakanishi Satoshi held a lunch meeting at the Iikura House with the Ambassadors to Japan from Micronesia, Fiji, the Marshall Islands, Palau, Samoa and Tonga. 2020 was the 50th anniversary of the establishment of diplomatic relations between Japan and Fiji, and in October a large-scale cultural event hosted by the Embassy of Japan in Fiji was held. Parliamentary Vice-Minister for Foreign Affairs Nakanishi sent a congratulatory video message.

▣ 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. Currently renamed the SDGs Global Leader Program, the program continues to accept young government officials from Pacific Island countries at graduate schools in Japan.

7 Regional and Inter-regional Cooperation

In the Indo-Pacific region, the world’s growth center, it is important to ensure peace and prosperity for the entire region, and by extension for the world, by realizing a free and open order based on the rule of law. From this perspective, Japan strategically advances initiatives toward realizing a “Free and Open Indo-Pacific (FOIP)” through various regional cooperative frameworks, including Japan-ASEAN, Japan-Mekong cooperation, ASEAN Plus Three (Japan, China and the Republic of Korea (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. Based on this idea, Japan has been collaborating with like-minded countries. In particular, the “ASEAN Outlook on the Indo-Pacific” (AOIP), which was adopted by ASEAN in 2019, shares fundamental principles with FOIP, such as the rule of law, freedom and openness. While respecting the centrality and unity of ASEAN, Japan, as an “Indo-Pacific State,” intends to embody Japan-ASEAN cooperation in line with the AOIP and contribute to the stability and prosperity of the entire Indo-Pacific region.

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

Located in the center of the vast Indo-Pacific, ASEAN is key to the realization of a “Free and Open Indo-Pacific.” 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” would be established within 2015 (2015 Kuala Lumpur Declaration on the Establishment of the ASEAN Community). Also, “ASEAN2025: Forging Ahead Together” was adopted as a guiding policy for the ASEAN Community for the 10 years from 2016 to 2025. In June 2019, the “ASEAN Outlook on the Indo-Pacific” was adopted, which sets forth principles such as openness, transparency, inclusivity and a rules-based framework.

In East Asia where ASEAN plays an important role as a center of regional cooperation, multi-layered regional cooperation, such as ASEAN Plus Three (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. At the 4th RCEP Summit in November 2020, the negotiations came to fruition after approximately eight years, and the RCEP Agreement was signed by 15 countries, including Japan and 10 ASEAN countries. While aiming for the early entry into force of the RCEP Agreement, Japan will continue to play a leading role for the future participation of India to the Agreement, as India declined signing this time.

(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 interest for Japan, which depends on sea transport for most of its resources and energy. It is necessary for the international community to cooperate toward the maintenance and development of open and stable seas.

In 2020, China announced the establishment of new administrative districts called the “Nansha District” and the “Xisha District,” and has continued and strengthened its unilateral changes to the status quo that go against the rule of law and openness, such as the further militarization of reclaimed features (see Chapter 4, Section 2, 3 (4)). Actions that increase tensions in the region such as repeated military exercises and missile launches can also be seen. Furthermore, China has not changed its position of not accepting the Arbitral Tribunal’s award²³ to the Philippines and China, and has continued to assert maritime claims that are inconsistent with the United Nations Convention on the Law of the Sea (UNCLOS).

The international community, including Japan, has expressed serious concerns about China’s unilateral attempts to change the status quo and render them *faits accomplis*. Amidst this, Japan, from the standpoint that the three principles of the rule of law at sea should be consistently adhered (see Chapter 4, Section 2, 6 (2)), has also emphasized the importance of all the concerned parties related to the South China Sea to work toward peaceful settlement of disputes based on international law, in particular UNCLOS. Additionally, Japan has pointed out that China’s assertions regarding baselines in the South China Sea are not based on relevant provisions of UNCLOS and that it is important to protect the freedom of navigation and overflight, including in the sea and airspace surrounding and above maritime features found to be low-tide elevations that do not have territorial sea and territorial airspace of their own according to the award of the Arbitral Tribunal. Japan has also pointed out that the basis of the “historical rights” claimed by China is not clear under international law, and the Arbitral Tribunal ruled that the “historical rights” based on the “nine-dash line” claimed by China were found to be contrary to UNCLOS and were clearly denied.

In 2018, negotiations on the Code of Conduct (COC) in the South China Sea commenced between China and ASEAN. Japan considers that the COC should be effective, substantive, consistent with UNCLOS and respect the legitimate rights and interests of all stakeholders who use the South China Sea, and 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.

²³ In January 2013, the Government of the Philippines instituted arbitral proceedings under the United Nations Convention on the Law of the Sea (UNCLOS) 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 organized by these proceedings rendered the final award on July 12, 2016. Japan issued a statement by the Foreign Minister on the same day, stating, “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 hopes that the parties’ compliance with the award will eventually lead to the peaceful settlement of disputes in the South China Sea.”

(3) Japan-ASEAN Relations

Located in the center of the vast Indo-Pacific, ASEAN is key to the realization of a “Free and Open Indo-Pacific.” 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 2020, through the Japan-ASEAN Foreign Ministers’ Meeting in September held under Viet Nam, the ASEAN Chair, via teleconference, and the 23rd Japan-ASEAN Summit Meeting held in November, the participants affirmed that they would continue to further strengthen cooperative relations over a broad range of fields and that Japan-ASEAN cooperation in the four priority areas of the AOIP will be materialized. At the Japan-ASEAN Summit Meeting in November, Prime Minister Suga stated that the “ASEAN Outlook on the Indo-Pacific (AOIP),” which ASEAN adopted in 2019 under its own initiative, sets forth the rule of law, openness, freedom, transparency and inclusivity as ASEAN’s principles of action, and he announced Japan’s full support for the AOIP, saying that it has many fundamental commonalities with Japan’s “Free and Open Indo-Pacific (FOIP),” and that sharing these fundamental principles is the cornerstone of cooperation between Japan and ASEAN.

In addition to the Chair’s Statement, the Joint Statement of the 23rd ASEAN-Japan Summit on Cooperation on the AOIP was issued with the support of all ASEAN member countries. It states that the AOIP and FOIP share relevant fundamental principles in promoting peace and cooperation, and confirms that the Japan-ASEAN Strategic

Partnership will be further reinforced in the four areas outlined in the AOIP, namely, maritime cooperation, connectivity, the UN Sustainable Development Goals 2030 and economic and other possible areas of cooperation. On that basis, Japan announced specific cooperation projects in the four areas of the AOIP, and for connectivity in particular, Prime Minister Suga launched the “Japan-ASEAN Connectivity Initiative,” with a focus on two trillion-Japanese yen worth of ongoing quality infrastructure projects. Prime Minister Suga also announced that Japan would strengthen the connectivity of land, sea, and air corridors through infrastructure development, together with capacity building projects for 1,000 individuals over the next three years.

Japan announced its full support for the ASEAN Centre for Public Health Emergencies and Emerging Diseases at the Special ASEAN Plus Three Summit on COVID-19 in April, and at the Japan-ASEAN Summit Meeting an establishment event for the Centre was held. The establishment of the Centre was officially announced by Prime Minister Nguyen Xuan Phuc of Viet Nam (the ASEAN Chair, and the Coordinating Country for Japan) at the event, based on the results of the Feasibility Study, which was conducted following the Special ASEAN Plus Three Summit on COVID-19, in light of the ASEAN’s needs and with input from experts in the region. Prime Minister Suga stated that Japan would continue to make every effort to provide support, including through technical cooperation by JICA through dispatching experts and providing training, to help the Centre develop into a strong organization that, as a hub for the region’s fight against infectious diseases, protects the people of ASEAN from the threat posed by infectious diseases.

Through these series of meetings, ASEAN expressed gratitude for Japan’s cooperation in responding to COVID-19, such as the establishment of the Centre and the contribution of one million US dollars to the COVID-19 ASEAN Response Fund.

Special
FeatureASEAN Centre for Public Health Emergencies and Emerging Diseases;
Strengthening ASEAN's Regional Capabilities to Infectious Diseases through
Japan-ASEAN Cooperation toward the Realization of a "Free and Open Indo-Pacific"

The novel coronavirus disease (COVID-19) has been raging across the world and has greatly impacted societies and economies in the Indo-Pacific region. The number of infected people and deaths is still increasing around the world as of the end of December, and the large-scale lockdowns and other restrictions are having severe impacts on citizens' lives.

ASEAN^{*1}, which has been a long-term partner of Japan, is no exception. Even in the ASEAN region, which had recorded a low number of infections at the start of the year, the number of infections increased rapidly in some countries around April, highlighting the importance of countermeasures against infectious diseases. This region has close geographical, social and economic ties with Japan, and many Japanese companies have expanded their businesses in the region. Strengthening ASEAN's regional capabilities to cope with infectious diseases not only contributes to the region as a whole, but is also extremely important from the perspective of ensuring the safety of Japanese people living in the region as well as preventing the spread of infectious diseases in Japan. Furthermore, for Japan, which promotes a "Free and Open Indo-Pacific" as a pillar of its diplomacy, supporting efforts to strengthen the infectious disease response system in ASEAN countries, which is key to achieving the goal, is a top priority.

Under these circumstances, at the Special ASEAN Plus Three (Japan-China-ROK) Summit on Coronavirus Disease 2019 (COVID-19) held via video conference on April 14, at the request of the ASEAN Secretariat, Prime Minister Abe expressed that Japan will provide strong support for ASEAN based on three pillars: the strengthening of infectious disease response capability, the ASEAN Centre for Public Health Emergencies and Emerging Diseases, and support for strengthening the resilience of the economy.

The ASEAN Centre for Public Health Emergencies and Emerging Diseases, positioned as a regional resource hub, aims to strengthen ASEAN's preparation, detection and response capabilities to public health emergencies and emerging diseases. Specifically, it is planned to enhance surveillance and field epidemiology, create regional reference laboratory networks^{*2} and conduct training for personnel responsible for public health emergencies and emerging diseases, among others. Japan has contributed approximately 5.5 billion Japanese yen (50 million US dollars) to the Japan-ASEAN Integration Fund (JAIF) for the establishment of this Centre.

With a view to establishing the Centre as soon as possible without losing momentum, Japan has conducted a feasibility study (FS) from June, in cooperation with experts from ASEAN as well as various regions and organizations, including the U.S., Australia and the World Health Organization (WHO).

Preparations for the establishment of this Centre have been moving forward together with ASEAN, with full respect for ASEAN's needs and intentions, and the ASEAN member states have shown great interest in the initiative. The Mekong countries welcomed Japan's cooperation at the Mekong-Japan Foreign Ministers' Meeting held in July, while ASEAN member states commended Japan's cooperation at the Japan-ASEAN Foreign Ministers' Meeting and expressed that they were looking forward to the official announcement of the establishment of this Centre at the upcoming Japan-ASEAN Summit Meeting. It was officially announced at an event to mark the establishment of the Centre following the 23rd Japan-ASEAN Summit Meeting in November. On this occasion, the leaders of the ASEAN member states expressed their deep appreciation for Japan's support.

To develop the ASEAN Centre for Public Health Emergencies and Emerging Diseases into an organization that protects the people of ASEAN from the threat of infectious diseases as a regional hub for public health emergencies and emerging diseases, Japan will spare no effort in providing continuous support to accelerate this initiative while offering its knowledge to the greatest extent. Going forward, Japan, as a true friend of ASEAN, will continue to work together with the region to overcome this difficult time and advance firmly toward realizing greater prosperity for a "Free and Open Indo-Pacific."



At the 23rd Japan-ASEAN Summit Meeting where the establishment of the ASEAN Centre for Public Health Emergencies and Emerging Diseases was announced (November 12, Tokyo; Photo: Cabinet Public Relations Office)

^{*1} ASEAN comprises the following 10 member states: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Viet Nam. (Singapore and Brunei are not eligible to receive official development assistance (ODA).)

^{*2} A network of reference laboratories with a view to realizing early testing of pathogens among others

As for regional and international affairs, with regard to North Korea, Prime Minister Suga said that there is no time to lose before we resolve the abductions issue, calling for the continued understanding and cooperation of each country toward the early resolution of the abductions issue, and ASEAN expressed their support. On the South China Sea issue, Prime Minister Suga expressed serious concerns about unilateral attempts to change the status quo and stated that legitimate rights under international law, including freedom of navigation and overflight, should be respected.

In the economic field, through official development assistance (ODA) and the Japan-ASEAN Integration Fund (JAIF), Japan has been supporting the further deepening of ASEAN integration and unity in a variety of fields, such as support for narrowing the development gap in the region through strengthening ASEAN connectivity. At the Japan-ASEAN Summit meeting in November, Prime Minister Suga announced that, through the “Japan-ASEAN Economic Resilience Action Plan” that was issued at the Special ASEAN Economic Minister (AEM)-METI Consultations in July, Japan would support the strengthening of supply chains and businesses that promote social change through utilizing digital technologies. Additionally, Prime Minister Suga stated that Japan would like to accelerate a “virtuous cycle of economic growth and environmental protection” through innovation, and that Japan would cooperate with ASEAN countries to realize a decarbonized society as called for by the Paris Agreement.

(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) is the core of the Indo-Pacific and is Japan’s Strategic Partner with strong economic growth and potential. Peace and

prosperity in the Mekong region are extremely important to Asia as a whole, including Japan, since it will contribute to narrowing the development gap in the region and promoting regional integration within ASEAN. Japan has been holding the Mekong-Japan Summit Meeting every year since 2009 in order to steadily implement Mekong-Japan cooperation. This year, 2021, is the once in three year time when the Mekong-Japan Summit Meeting is held in Japan, and Japan and the Mekong countries will lead the region during the year as the “Japan-Mekong Year.”

At the 12th Mekong-Japan Summit Meeting held via video conference in November, Prime Minister Suga reiterated that Japan, as an “Indo-Pacific State,” will continue to contribute to the peace and prosperity of the region, and the Mekong countries welcomed the steady progress of Mekong-Japan cooperation and thanked Japan for its efforts. At the Summit Meeting, Japan announced its “Five Points of Cooperation” ((1) Promotion of loans and investment for the private sector, (2) Grant assistance for grass-roots human security projects that pervade through small communities, (3) Cooperation concerning the rule of law, (4) Cooperation concerning the ocean, and (5) Cooperation concerning strengthening supply chains). The Joint Statement adopted at the Summit Meeting highly evaluated Japan’s strong commitment to the Mekong region, including Prime Minister Suga’s visit to Viet Nam in October and Foreign Minister Motegi’s visit to Cambodia, Laos and Myanmar in August, and additionally reaffirmed the determination of the leaders to work together to accelerate the realization of the Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy (ACMECS). Japan will continue to contribute to the prosperity and development of the region as a reliable partner for Mekong region countries (see the Special Feature on page 92).

Special
Feature

Mekong-Japan Cooperation

The five countries of Cambodia, Laos, Myanmar, Thailand and Viet Nam, located along the Mekong River basin on the Indochina Peninsula of Southeast Asia are known as the Mekong countries. These five countries cover a total area of about 1.94 million km² (about five times of Japan's land area) and have a total population of about 244 million people. There are great expectations for the development of this region as one with especially great future potential even within fast-growing Asia. This region is also connected to China, India, and the South China Sea, and is strategically positioned at the center of Asia's land and sea transportation routes. Japan has close economic and trade relations with the Mekong countries, and strengthening relations with these countries that are the core of the Indo-Pacific region is of great diplomatic importance for Japan.

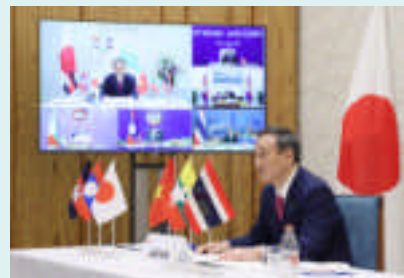
To ensure the steady implementation of Mekong-Japan cooperation, the Mekong-Japan Foreign Ministers' Meeting and the Mekong-Japan Summit Meeting have been held every year since 2008 and 2009 respectively. Of these, the future course for Mekong-Japan cooperation is updated every time when a Summit Meeting is held in Japan (about once every three years). 2021 is the year when this Mekong-Japan Summit Meeting is due to be held in Japan and a very important year when the leaders of the Mekong countries visit Japan to set out the future course of Mekong-Japan cooperation for the next three years. It will truly be the "Mekong-Japan year," in which Japan and the Mekong countries will lead the region.

The past three years of Mekong-Japan cooperation began in October 2018 with the convention of the 10th Mekong-Japan Summit Meeting in Tokyo and the adoption of the Tokyo Strategy 2018 for Mekong-Japan Cooperation, which sets out the direction of Mekong-Japan cooperation for the future. This Strategy establishes the following three pillars for advancing cooperation: (1) vibrant and effective connectivity; (2) people-centered society; and (3) realization of a green Mekong. Toward the realization of a "Free and Open Indo-Pacific," efforts have been made to promote cooperation in line with this Strategy in areas such as infrastructure development, human resource development and digitalization.

The "Mekong-Japan Initiative for SDGs toward 2030" was announced at the 11th Mekong-Japan Summit Meeting held in Bangkok (Thailand) in November 2019. This Initiative aims to draw out the Mekong region's potential in an optimal manner. While making use of quality infrastructure investment in accordance with international standards, Japan intends to address the following three fields as areas of priority: (1) environmental and urban issues; (2) sustainable natural resource management and utilization; and (3) inclusive growth.

At the 12th Mekong-Japan Summit Meeting held via video teleconference in November, Prime Minister Suga announced "Five Points of Cooperation" as Japan's tangible contribution ((1) promotion of loans and investment for the private sector; (2) grant assistance for Grass-Roots Human Security Projects that pervades through small communities; (3) cooperation concerning the rule of law; (4) cooperation concerning the ocean; and (5) cooperation concerning strengthening supply chains), and expressed his determination to continue vigorously promoting Mekong-Japan cooperation.

Mekong-Japan cooperation, which has been progressing steadily through these efforts, will be elevated to new heights through the Mekong-Japan Summit Meeting that will be held in Japan in 2021. As an Indo-Pacific nation, Japan will stand by the people and societies of the Mekong countries while deepening the mutually strengthening partnership going forward.



12th Mekong-Japan Summit Meeting (November 13. Photo: Cabinet Public Relations Office)



Mekong River (November, Krong Kracheh, Cambodia)

(5) ASEAN Plus Three (Participating Countries: 10 ASEAN countries and Japan, China and the ROK)

The Asian financial crisis in 1997 prompted the launch of ASEAN Plus Three, in the form of adding the three countries of Japan, China and the ROK to ASEAN. ASEAN Plus Three 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 Plus Three Cooperation Work Plan (2018-2022)” adopted in August 2017, the ASEAN Plus Three countries have been making further progress on cooperation in various fields.

In April at the behest of Viet Nam, the ASEAN Chair for 2020, the Special ASEAN Plus Three (Japan-China-ROK) Summit on Coronavirus Disease 2019 (COVID-19) was held, and Prime Minister Abe announced three support measures for ASEAN: (1) strengthening capabilities to control infectious diseases, (2) establishing an ASEAN Centre for Public Health Emergencies and Emerging Diseases, and (3) supporting economic resilience. He said that through strong cooperation the leaders should confront the virus, which was already spreading across national borders, and was supported by participating countries. Additionally, he emphasized that the flow of goods should be maintained even during the crisis, stated that any measures should be consistent with WTO rules, and received the support of participating countries. A joint statement was issued after the meeting, which reaffirmed the common commitment to strengthen solidarity, cooperation and mutual support among the ASEAN Plus Three countries to control and contain the spread of the pandemic.

At the 23rd ASEAN Plus Three Summit Meeting (teleconference) held in November, as a follow-up to the support measures announced at the Special ASEAN Plus Three Summit in April, Prime Minister Suga (1) regarding medical cooperation,

expressed Japan’s intention to provide assistance worth more than 200 million US dollars in medical supplies and equipment as well as extending technical cooperation for medical research institutions and others, and additionally, (2) mentioned that the establishment of the ASEAN Centre for Public Health Emergencies and Emerging Diseases had been formally announced at the Japan-ASEAN Summit Meeting, and that Japan would continue to provide support in order to ensure that the Centre, as a hub for the region’s fight against infectious diseases, develops into an organization that will protect ASEAN’s people from the threat posed by infectious diseases, and furthermore (3) on support to revitalize the economy, explained that Japan had provided a total of approximately 2.5 billion US dollars’ worth of financial assistance in yen loans to ASEAN countries.

Furthermore, Prime Minister Suga said that in addition to the 300,000 US dollars donated collaboratively from the ASEAN Plus Three Cooperation Fund to the “COVID-19 ASEAN Response Fund” as a follow-up to the Special ASEAN Plus Three Summit Joint Statement adopted in April, Japan had decided to make its own contribution of one million US dollars. With regard to the ASEAN Plus Three Emergency Rice Reserve, Prime Minister Suga stated that Japan had improved the management of the rice reserve so that it could be effectively used to respond to COVID-19, and that Japan would like to cooperate with each country so that the rice reserve could be used more effectively. In addition to these items, Prime Minister Suga said that Japan was aiming for the early entry into force of the RCEP Agreement, and that in ASEAN Plus Three cooperation, Japan would promote the creation of rules based on “Data Free Flow with Trust,” and would promote measures against marine plastic debris.

With regard to North Korea, Prime Minister Suga emphasized the full implementation of United Nations Security Council Resolutions (UNSCRs), including by addressing “ship-to-ship transfers,” is essential to achieving the complete, verifiable and

irreversible dismantlement (CVID) of all weapons of mass destruction and ballistic missiles of all ranges of North Korea. He said that Japan's policy of seeking normalization of its relationship with North Korea through comprehensively resolving the outstanding issues of concern, such as the abductions, nuclear and missile issues, as well as settling the unfortunate past, remains unchanged, and that he is determined to meet directly with Chairman Kim Jong-un without any preconditions, and furthermore, asked for continued understanding and cooperation toward the early resolution of the abductions issue. In response to this, many countries emphasized the importance of the complete denuclearization of the Korean Peninsula and the implementation of the UNSCRs.

(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.

At the 10th East Asia Summit Foreign Ministers' Meeting (teleconference) held in September, Foreign Minister Motegi stated that the vision for the Indo-Pacific outlined in the "ASEAN Outlook on the Indo-Pacific (AOIP)" and Japan's concept of a "Free and Open Indo-Pacific (FOIP)" share many fundamental values in common, including openness, transparency and the rule of law, and reaffirmed Japan's intention to fully support the AOIP. Foreign Minister Motegi also stated Japan's position on the situation in North Korea, the East



Foreign Minister Motegi speaking at the 10th East Asia Summit Foreign Ministers' Meeting (teleconference) (September 9, Tokyo)

China Sea, the South China Sea and Hong Kong.

With regard to North Korea, Foreign Minister Motegi emphasized the need to maintain and strengthen measures to ensure the full implementation of UNSCRs, including by countering "ship-to-ship transfers" in order to achieve the complete, verifiable and irreversible dismantlement of all weapons of mass destruction and ballistic missiles of all ranges in accordance with the UNSCRs. Foreign Minister Motegi also asked for continued cooperation of each country toward the early resolution of the abductions issue.

Foreign Minister Motegi, with regard to the East China Sea and the South China Sea, stated that Japan shares serious concerns about the continuing situation of attempts to unilaterally change the status quo with the EAS participating countries, and called on the participating countries to take constructive actions to improve the situation. In addition, on the issue of the South China Sea, he emphasized the need to uphold legitimate rights based on international law such as freedom of navigation and overflight as reflected in UNCLOS, and expressed support for the manifestation by ASEAN countries of their legal positions based on UNCLOS. Furthermore, Foreign Minister Motegi stated that the Code of Conduct for the South China Sea must not prejudice the rights of third parties and must be consistent with UNCLOS. As for the recent situation surrounding Hong Kong, Foreign Minister Motegi expressed Japan's grave and growing concern over the recent series of

developments, including the enactment and subsequent implementation of the national security law, and stated that it is important that Hong Kong upholds a free and open system, the freedoms and rights of the people in Hong Kong, as well as people and businesses from all countries, are respected, and that Hong Kong will continue to develop in a democratic and stable manner under the “One Country Two System” framework.

At the 15th East Asia Summit (teleconference) held in November, there were discussions on the state of the Indo-Pacific and on politics and security. Prime Minister Suga said that the “ASEAN Outlook on the Indo-Pacific (AOIP),” issued by ASEAN, shares many fundamental commonalities with a “Free and Open Indo-Pacific (FOIP)” promoted by Japan, and that Japan fully supports the AOIP, and called on each country for their support. In addition, at the Japan-ASEAN Summit, Prime Minister Suga stated that Japan and ASEAN confirmed they would proceed with concrete projects, in line with the AOIP and FOIP, and that Japan, as an “Indo-Pacific State,” would continue to lead efforts for peace and prosperity in the region. Furthermore, Prime Minister Suga said that Japan would strongly support the ASEAN Centre for Public Health Emergencies and Emerging Diseases, the establishment of which was announced following the Japan-ASEAN Summit, and that Japan would promote the provision of medical supplies and equipment and technical cooperation to ASEAN countries.

With respect to the regional situation, Prime Minister Suga pointed out that developments contrary to the rule of law and openness have been unfolding. In the East China Sea, there have been continuing activities that infringe on Japan’s sovereignty and in the South China Sea, actions that increase tensions such as ballistic missile launches and further militarization of the features, and claims that are inconsistent with UNCLOS. The COC in the South China Sea should be consistent with UNCLOS, and should respect the legitimate rights and interests of all stakeholders. Prime



Prime Minister Suga attending the 15th East Asia Summit (EAS) (teleconference) (November 14, Prime Minister’s Office; Photo: Cabinet Public Relations Office)



Foreign Minister Motegi attending the Japan-China-ROK Foreign Ministers’ Video Teleconference on COVID-19 (March 20, Tokyo)

Minister Suga stated that Japan shares serious concerns with other countries about the current situation in the South China Sea and once again emphasized the importance of the rule of law and peaceful means. At the Summit, many countries mentioned the importance of freedom of navigation and overflight and the peaceful resolution of disputes in accordance with international law as reflected in UNCLOS. In addition, several countries expressed their concerns over recent situations on the ground and referred to the importance of non-militarization and self-restraint. As for Hong Kong, Prime Minister Suga said that Japan has grave and growing concerns over the series of developments such as the enactment of the national security law, and that it is important that Hong Kong upholds a free and open system, the freedoms and rights of the people in Hong Kong, as well as people and businesses from all countries, are respected, and that Hong Kong will continue to develop in a democratic and stable

manner under the “One Country Two System” framework.

Regarding North Korea, Prime Minister Suga stated that the full implementation of UNSCRs, including by addressing “ship-to-ship transfers,” is essential to achieve the complete, verifiable and irreversible dismantlement (CVID) of all weapons of mass destruction and ballistic missiles of all ranges of North Korea. In addition, Prime Minister Suga asked for continued understanding and cooperation toward the early resolution of the abductions issue. In response to this, participating countries referred to the importance of the complete denuclearization and a peaceful solution through dialogue, condemned missile launches, and mentioned the importance of complying with the UNSCRs.

(7) Japan-China-ROK Trilateral Cooperation

Trilateral cooperation among Japan, China and the ROK continues to be vital from the perspective of promoting exchanges 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 force driving prosperity of the East Asian region, trilateral cooperation among Japan, China and the ROK is one of the areas of cooperation that has huge potential in efforts to tackle various issues in the international community.

In March, a Japan-China-ROK Foreign Ministers' Video Teleconference on COVID-19 was held with the participation of Foreign Minister Motegi from Japan, Minister of Foreign Affairs Kang Kyung-wha from the ROK, and State Councilor and Foreign Minister Wang Yi from China. Foreign Minister Motegi stated that the cooperation of the three countries responsible for the peace and stability of the region is important in responding to COVID-19, and both China and the ROK agreed on the importance of trilateral cooperation. Additionally, Foreign Minister Motegi stated that the cooperation of the health authorities in the

three countries is important to bring the situation to a close, and that a Health Ministers' Meeting should be held as soon as possible, and in May, the 12th Tripartite Health Ministers' Meeting (THMM) was held. Furthermore, Japan received support from China and the ROK to hold the Olympic and Paralympic Games Tokyo 2020.

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

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 crucial in pursuing Japan's further economic development.

At the 2020 Malaysia APEC Economic Leaders' Meeting, which was held as a virtual meeting for the first time, a Leaders' Declaration was adopted for the first time in three years. Additionally, the “APEC Putrajaya Vision 2040” was adopted, which represents APEC's direction after the Bogor Goals. Prime Minister Suga, who attended the Meeting, in addition to stating the particular importance of accelerating digital transformation and realizing a decarbonized society, promoting free trade, strengthening connectivity, and inclusive economic trade for economic growth in the “With COVID-19” and “Post COVID-19” eras, also emphasized Japan's active contribution to the realization of the new APEC Vision.

(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 2020, 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.