

Section 4

Promoting Resource Diplomacy along with Foreign Direct Investment in Japan

1 Securing a Stable Supply of Energy and Mineral Resources at Reasonable Prices

(1) Current Situation Concerning Energy and Mineral Resources in Japan and Abroad

A Situation in the World

Structural changes in the recent years have been seen in the international energy market with respect to three areas: (1) demand (consumption), (2) supply (production), and (3) resource selection. Regarding demand, global demand for primary energy has shifted toward non-OECD member countries, primarily China and India. With respect to supply, the U.S. became the world's largest producer of both oil and natural gas due to the "Shale Revolution," and lifted its ban on crude oil exports in December 2015. The U.S. is promoting energy export policies such as further exports of U.S. liquefied natural gas (LNG) promotion under the Trump administration. As for resource selection, based on the fact that production and usage on energy account for about two-thirds of greenhouse gas (GHG) emissions, the transition to cleaner energy resources such as renewable energy is accelerating. In addition, since the Paris Agreement on climate change was adopted in December 2015, companies have made their efforts

to further advance toward low-carbonization.

In oil markets, oil demand and prices have fallen significantly due to reduced movement of people and sluggish economic activity owing to the spread of the novel coronavirus disease (COVID-19). For the first time in history, oil prices dipped into the negative following a coordinated production cut breakdown by the Organization of Petroleum Exporting Countries (OPEC) Plus.¹ OPEC Plus later agreed to begin a coordinated production cut in May and gradually resolved the excess supply problem. Furthermore, the supply-demand balance was improved and rising oil prices began trending up due to a recovery in oil demand in China and India, a continued coordinated production cut, and other factors, contributing to the continuation of a stable condition. However, uncertainty grows as COVID-19 continues to spread, muddying prospects for an energy demand recovery and fueling concerns of oil market instability. It is important that continued attention is paid to the impact of these oil price fluctuations on future energy security.

B Situation in Japan

Since the Great East Japan Earthquake, the percentage of fossil fuels in Japan has reached about 90% of the country's power generation in 2012, up

¹ OPEC Plus consists of OPEC members and the world's major non-OPEC oil-exporting nations

from about 60% before the earthquake, due to the shutdown of nuclear power plants. Japan's primary energy self-sufficiency ratio (including nuclear power), which relies on imports from overseas for almost all of its oil, natural gas, coal and other energy resources dropped sharply from 20% before the earthquake to 6.4% in 2014. It remains at a low level compared to other OECD countries despite a recovery to 11.8% in FY2018. Furthermore, nearly 92% of crude oil imported by Japan comes from the Middle East. With regard to LNG and coal, Japan depends less on the Middle East for oil but almost completely on Asia and Oceania (both 2019). Under the circumstances, efforts to secure a stable supply of energy at reasonable prices are becoming increasingly important.

Against this backdrop, the Cabinet decided on the "5th Strategic Energy Plan" in July 2018. Aiming to realize a stable, low-burden and environmentally compatible energy supply and demand structure under the 3E+S ("Energy Security," "Economic Efficiency," "Environment," and "Safety") principle, this Plan includes efforts aimed at utilizing renewable energy as the major power source and promoting energy system reform. It aims to steadily achieve the energy mix needed to realize a 26% greenhouse gas reduction by FY2030 (compared to FY2013). The Strategic Energy Plan will be reviewed at least once every three years, and discussions aimed at creating the next Strategic Energy Plan began in October 2020.

(2) Diplomatic Efforts to Secure a Stable Supply of Energy and Mineral Resources at Reasonable Prices

Securing a stable supply of energy and mineral resources at reasonable prices are the foundation for a vital Japanese economy and the livelihoods of its people. MOFA has been strengthening diplomatic efforts with a focus on the following activities.

A Gathering and Analysis of Resource-Related Information at Diplomatic Missions overseas

"Special Assistants for Natural Resources" have been appointed to 60 diplomatic missions overseas in a total of 53 countries to work intensively on the acquisition and stable supply of energy and mineral resources with a view to strengthening the function of diplomatic missions overseas, as of the end of 2020. MOFA also calls for "Strategy Meetings on Natural Resources" every year, which bring together officials assigned to diplomatic missions overseas with the objective to ensure stable supply of energy and mineral resources. Although the 2020 meeting was canceled due to the spread of COVID-19, the most recent meeting was held in Tokyo in February 2019 with attendants from the representatives from the relevant ministries and private-sector agencies. Active discussions took place on the international affairs surrounding energy and mineral resources, as well as on the direction of Japan's strategies in light of this situation. In addition, MOFA has been holding Regional Meetings on Energy and Mineral Resources for certain regions since 2017. At the 2019 meeting, held in Egypt, which was focused on the Middle Eastern region, participants discussed the importance of strengthening collaboration among MOFA, diplomatic missions overseas, and government-affiliated organizations, as well as Japan's policy for promoting energy and mineral resources, and renewable energy diplomacy effectively.

B Securing Transportation Route Safety

Piracy threatens the sea lane stretching from the Middle East to Japan, through which approximately 90% of all imports to Japan pass, as well as other internationally important sea lanes in places such as the Gulf of Aden and waters off the coast of Somalia. In response, Japan has supported the coastal countries along these lanes through such measures as enhancing counter-piracy capacities, cooperating on information sharing among countries concerned, and developing navigation

facilities. Japan has also been dispatching Japan Self-Defense Force units and Japanese Coast Guard officers to areas off the coast of Somalia and the Gulf of Aden to engage in escort operations for any of country's commercial ships.

C Making Use of International Fora and Rules

Japan makes active use of international fora and rules to cooperate with the international community toward securing a stable supply of energy. While endeavoring to strengthen its capability to respond to emergencies such as disruptions in oil supply, Japan strives to quickly and accurately grasp information such as trends in the global energy markets and resource-producing countries, as well as revisions to the medium- and long-term outlooks for supply and demand.

In response to the impact on energy demand caused by the economic downturn brought about by the spread of COVID-19, the G20 Extraordinary Energy Ministers Meeting (virtual meeting) was held in April (with Minister of Economy, Trade and Industry Kajiyama Hiroshi in attendance from Japan). G20 ministers affirmed the significant adverse effects of the unstable energy market on the real economy and confirmed the intention to strengthen coordination as G20 in the interest of market stabilization and stronger energy security.

A G20 Energy Ministerial Meeting (virtual meeting) was held in September, chaired by Saudi Arabia, with State Minister for Foreign Affairs Washio Eiichiro in attendance from the Ministry of Foreign Affairs. At the meeting, ministers discussed issues such as the Circular Carbon Economy (CCE), energy access, and energy security and market stabilization, and a Ministers' Communiqué was issued as an outcome document. In response to the destabilization of the global energy market caused by the spread of COVID-19, the Ministers' Communiqué affirmed the importance of international cooperation toward strengthening the energy system, and of achieving safe, affordable and sustainable energy access. Ministers

also reaffirmed the importance of transforming the energy mix toward achieving 3E+S ("Energy Security," "Economic Efficiency," "Environment" and "Safety"), which was established at the G20 Osaka Summit 2019.

In November, State Minister for Foreign Affairs Washio attended the Ministerial Forum on Africa co-chaired by the International Energy Agency (IEA) and African Union Commission (AUC). At the meeting, State Minister for Foreign Affairs Washio emphasized the importance of Japan's continued involvement in the improvement of energy access and investment in Africa, while also introducing Japan's efforts to achieve universal access to energy in Africa.

(3) Major Efforts Concerning Energy and Resource Diplomacy in 2020

A Consideration and Launch of New Energy and Resource Foreign Policy

At the 10th Session of the International Renewable Energy Agency (IRENA) Assembly held in Abu Dhabi (United Arab Emirates) in January, State Minister for Foreign Affairs Wakamiya Kenji made a speech on Japan's plans and efforts toward further promotion and expansion of renewable energy use, while also raising the issue of the need to dispose of large quantities of solar panels and other equipment beginning in 2030 as the equipment approaches the end of its service life. State Minister for Foreign Affairs Wakamiya also



State Minister for Foreign Affairs Wakamiya giving a speech at the 10th Session of the IRENA Assembly (January 11, Abu Dhabi, UAE)

stressed, in relation to promoting further penetration of long-term and stable sustainable energy, the importance of thinking about and taking action now toward the issue of future disposals and not simply speeding the pace of new installations, while considering the environment.

B Study Tour of Carbon Recycling Facilities in Chiba and Fukushima Prefectures for the Diplomatic Corps in Tokyo

In March, MOFA conducted a study tour of CCUS²/carbon cycle facilities (CCUS/Carbon Recycling Study Tour) in the cities of Noda and Kashiwa in Chiba Prefecture and Iwaki in Fukushima Prefecture for the Diplomatic Corps in Tokyo, in cooperation with the Agency for Natural Resources and Energy, Tokyo University of Science, and the city of Iwaki, Fukushima.

In accordance with such initiatives as the Fukushima Plan for a New Energy Society, this study tour was held to inform the world of Japan's initiatives toward achieving decarbonization. Five embassy staff from five countries participated in the tour. In addition to attending the CCUS/Carbon Recycling Seminar held at the Noda Campus of the Tokyo University of Science, the participating diplomatic corps deepened their knowledge of the carbon dioxide reduction technologies of the Tokyo University of Science Photocatalysis International Research Center at the university as state-of-the-art technologies for achieving a carbon cycle. The corps also visited Hitachi Zosen Corporation in Kashiwa, Chiba and observed hydrogen production equipment and methanation test equipment, which produces methane from carbon dioxide and hydrogen. In addition, the corps visited Tomato Land Iwaki and Joban Joint Power Co., Ltd.'s Nakoso Power Plant in Iwaki to observe progressive agricultural initiatives being carried out with regard for a variety of environments, as well as the Integrated coal Gasification Combined Cycle (IGCC), which Japan prides itself

on as being the world's most advanced clean coal technology.

C Start of Negotiations Concerning the Modernization of the Energy Charter Treaty

The Energy Charter Treaty (ECT), a multilateral treaty that entered into force in April 1998 (signed in 1995 and entered into force with Japan in 2002), was established as a legal framework for implementing the European Energy Charter, which called for promoting improvements based on market principles in the energy sector in the former Soviet Union and Eastern Europe following the collapse of the Soviet Union, as well as promoting trade and investment activities in the global energy sector. This treaty was signed by 52 countries and organizations mostly located in Europe and central Asia.

The ECT prescribes the liberalization of the trade and transit of energy source materials and commodities, the protection and liberalization of investments in the energy sector, and other matters. It ensures a stable supply of energy from supply countries to demand countries, contributes to improving energy security for Japan, which largely relies on other countries for energy resources, and provides an important legal foundation for further improving the investment environment for Japanese companies overseas.

For this treaty, which has been in force for over two decades since 1998, 2017 saw the start of discussions concerning modernizing the treaty by making necessary revisions. In December 2019, the decision was made at the 30th Meeting of the Energy Charter Conference to begin negotiations related to modernizing the ECT. Full-scale negotiations, in which Japan also actively engaged, began in 2020, with discussions held on such wide-ranging issues as investment protection, dispute settlement and commodity transit. Japan has also contributed to the development of the ECT as the largest contributor of assessed donations.

2 CCUS: Carbon dioxide Capture, Utilization and Storage

This includes serving as chair for the first Meeting of the Energy Charter Conference in East Asia, which was held in 2016, and hosting the 27th Meeting in Tokyo. During the 31st Meeting of the Energy Charter Conference, which was held online in December 2020, State Minister for Foreign Affairs Washio shared a video message in which he emphasized the importance of the ECT in energy security and introduced Japan's initiatives regarding the recent energy situation.

2 Ensuring Food Security

The global population in 2020 is estimated to be about 7.8 billion (prospects released by the UN Population Division), and this is expected to increase mainly in Africa and Asia. Changes in the dietary habits of people in developing countries will require a rapid increase in the production of feed grains. In Japan, while the country's food self-sufficiency rate (calorie basis (published by the Ministry of Agriculture, Forestry and Fisheries)) has been on a downward trend in the long-term, it has been leveling out in recent years, reaching 38% in FY2019. Japan relies on imports for much of its food, and to ensure a stable food supply for its people, the country needs to achieve the optimal ratio of importing to stockpiling, primarily by increasing domestic agricultural production.

Amid global concern over the tightening of supply and demand situation in the medium- to long-term, Japan must work to increase the food supply globally to continue securing stable food imports. For this purpose, ensuring sustainable approaches are also required for increasing production while reducing environmental impact. Japan must also establish robust food security through efforts that include the creation of a stable agricultural produce market and trading system to protect against food price instability caused by poor harvest conditions, natural disasters, etc.

The spread of COVID-19 has had an impact on global food security. Along with a temporary decrease in exports to Japan of vegetables produced

and processed in China, steps have been taken in countries such as Russia and Viet Nam to restrict the export of wheat, rice and other products. According to the Food and Agriculture Organization of the UN (FAO), more than 100 million people across particularly vulnerable regions could end up suffering from malnutrition as food access worsens due to economic decline and supply chain disruptions. Although the production of the world's staple grains and other produce is expected to be sufficient to satisfy demand, strengthening the food supply chain has become an urgent issue in light of concerns that COVID-19's effects could be long-term.

(1) Cooperation in International Frameworks Concerning Food Security

Based on the situations involving food export restrictions and supply chain disruptions due to the impact of COVID-19, the importance of maintaining and restoring supply chains and circumventing excessive trade restrictions has been highlighted in international frameworks. In March, the World Health Organization (WHO) and World Trade Organization (WTO) released a joint statement calling for countries to ensure that their trade-related measures would not disrupt the food supply chain.

As efforts under the G20 framework, the G20 Extraordinary Agriculture Ministers Meeting was held virtually in April and the G20 Agriculture and Water Ministers Meeting was conducted virtually in September, both hosted by Saudi Arabia as chair. Participants discussed measures toward food security and other issues caused by COVID-19, and the "G20 Ministerial Statement on COVID-19" and "G20 Agriculture and Water Ministers Communiqué" were adopted at the meetings, respectively.

In APEC, members are engaging in related cooperation through the APEC Policy Partnership on Food Security (PPFS) in collaboration with the private sector. At the APEC Virtual Ministerial Policy Dialogue on Food Security, held in October

2020 and chaired by Malaysia, participants discussed ensuring food security in light of the effects of COVID-19 and adopted the “Virtual Ministerial Policy Dialogue on Food Security Statement.”

(2) Cooperation with the Food and Agriculture Organization of the UN (FAO)

As a responsible member of the international community, Japan supports the activities of the FAO, a specialized agency of the UN in the fields of food and agriculture. Japan, a major donor to the FAO and the third largest contributor of assessed contributions, significantly contributes to strengthening global food security through efforts such as providing development assistance in the areas of food and agriculture, and creating international rules that include food safety standards. Japan also works to strengthen its relationship with the FAO, holding Annual Strategic Consultations and conducting seminars for the general populace aimed at raising awareness for the FAO domestically.

3 Fisheries (Whaling and Tuna, etc.)

As one of the major fishing countries and consumers of fishery products in the world, Japan, through international organizations, actively contributes to the proper conservation, management and sustainable use of marine living resources (see the Column on page 205).

In line with its position that cetaceans are a part of marine living resources that should be utilized in a sustainable manner based on scientific evidence, Japan has sincerely engaged in the dialogues in the International Whaling Commission (IWC) for over 30 years on the basis of scientific data collected. However, as it became evident that it is not possible in the IWC to seek the coexistence of States with different views between “sustainable use” and “conservation,” the original goals of the IWC, Japan withdrew from the International Convention for the Regulation of Whaling (ICRW) on June 30, 2019. In July of the same year, Japan re-

sumed commercial whaling targeting large whales in territorial waters and its exclusive economic zone (EEZ). The whaling, which targets minke whales, Bryde's whales and *sei* whales, whose abundance has been confirmed, is conducted in a sustainable manner based on scientific evidence within the catch limits calculated in line with the method adopted by the IWC, which allows for the maintenance of the population level whereby whale resources will not be depleted even after 100 years of continuous whaling.

Japan has been contributing to the science-based sustainable management of whale resources in coordination with relevant international organizations, through participating as an observer in the IWC Scientific Committee in May 2020, conducting a non-lethal study of whaling resources in the Japanese Abundance and Stock-structure Surveys in the Antarctic (JASS-A), the IWC-Pacific Ocean Whale and Ecosystem Research (IWC-POWER), etc., and providing research results and catch information to the IWC and other international organizations.

As there is an increasing call for urgent actions by the international community against illegal, unreported and unregulated (IUU) fishing, Japan is promoting efforts to combat IUU fishing. In the leaders' declaration issued at the G20 Osaka Summit in 2019, where Japan served as chair, Japan took the initiative to state the following point in the declaration: “the importance of addressing IUU fishing for ensuring the sustainable use of marine resources and conserving the marine environment including biodiversity.” Through multilateral discussions and efforts including the adoption of the “Sustainable Fisheries Resolution” at the 75th UN General Assembly, Japan also urges non-signatory countries to accede to the Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (PSMA), which establishes rules for port states to take measures against IUU fishing vessels, including denial of port entry

In the Central Arctic Ocean, while commercial

Column

Considering Japan's Fishery Diplomacy with SAKANA-KUN: Aiming to Realize Sustainable Fishery and Achieve the SDGs

On February 1, 2021, the Ministry of Foreign Affairs appointed SAKANA-KUN as the “Goodwill Ambassador for Sustainable Oceans and Fish.” Going forward, SAKANA-KUN will take on the role of communicating, both in Japan and abroad, Japan's activities toward realizing sustainable and healthy oceans, including fishery resources. This column features a dialogue between Foreign Minister Motegi and SAKANA-KUN.

1. Appointment as the Goodwill Ambassador for Sustainable Oceans and Fish

Foreign Minister Motegi: Congratulations on your appointment as the Goodwill Ambassador for Sustainable Oceans and Fish. I hope that you will widely communicate Japan's contribution to sustainable fishery.

SAKANA-KUN: It is my honor to be appointed as the Goodwill Ambassador for Sustainable Oceans and Fish! I would like to convey, from a major fish-consuming nation of Japan widely to the world, what is important to live in harmony with the fish that we love, while preserving the beautiful seas.

2. Japan's diplomatic role and initiatives as a major fishery nation

SAKANA-KUN: Japan is a major fishery nation that is surrounded by beautiful seas and is endowed with wonderful rivers and lakes, and many species of fish. I believe that fish is an indispensable part of the Japanese diet and food culture.

Minister: Japanese people have enjoyed the blessings of the sea since a long time ago. “Sustainable use of fishery resources,” which means that we can continue fishing in a stable manner going forward, is an important diplomatic issue linked to biodiversity and securing stable food supplies. Japan, as a major consumer country of fishery products, plays a significant role in the international community as a responsible fishery nation.

SAKANA-KUN: Great changes are now taking place in the environment surrounding fish. It is becoming increasingly difficult to catch some species that we have been able to catch so far, and the volume of the catches is declining. One of the hot topics that came up last year was the record low catches of Pacific saury, which is an indispensable part of the Japanese diet.

Minister: We often hear the word “sustainable” in relation to fisheries and the sea. The Sustainable Development Goals (SDGs) are now becoming a keyword not only in the international community, but also among private companies in Japan, and Japan is actively promoting the SDGs. The same goes for the field of fisheries.

SAKANA-KUN: Goal 14 of the SDGs aims to realize healthy oceans. As the Goodwill Ambassador, I would like to participate actively in activities toward this goal! I am concerned about the volume of fish we catch, because fish consumption is increasing around the world. What are Japan's initiatives in the international community to contribute to sustainable fishery?

Minister: Since overfishing is a global problem, we are working to realize the sustainable use of fishery resources based on scientific evidence. One of these initiatives is our contribution to the rule making process for sustainable fisheries through Regional Fisheries Management Organizations (RFMOs). Even for species that the Japanese people are very familiar with, such as tuna species, mackerel species, Pacific saury, and squid, we discuss their catch quota and fishery methods in the RFMOs. Japan is member of 13 RFMOs, and actively engaged in international efforts toward sustainable management of fishery species through these organizations.

SAKANA-KUN: Wow, that many! I have heard that in the International Commission for the Conservation of Atlantic Tunas (ICCAT), one of the RFMOs, Japan played a central role in the efforts made by relevant



Foreign Minister Motegi
(Photo: Watanabe Shigeki)



SAKANA-KUN holding the
letter of appointment



Logo of SDGs Goal 14
(Photo: United Nations Information Center)

countries to restrict the catches of Atlantic bluefin tuna in order to curb their declining population. Thanks to their efforts, the population of Atlantic bluefin tuna has increased. For fish with declining populations due to overfishing, diplomacy can make fishery sustainable and contribute to conserving fish and healthy oceans for future generations.

Minister: Exactly. Similar efforts are being made to restrict the catches of Pacific bluefin tuna to enable resource recovery.

To conserve fishery resources in the future, it is also important to tackle “illegal, unreported and unregulated (IUU) fishing.” For example, on my visit to Tunisia last December, I conveyed that Japan would provide Tunisia with two vessels for fishery surveillance to combat IUU fishing. The Head of Government and the Secretary of State of Tunisia expressed their great appreciation for Japan’s initiatives.

SAKANA-KUN: That is wonderful. On my previous visit to Senegal, I was really impressed to see the sites where Japan’s support and technologies are contributing to the development of fishery industries overseas. Fish is an important food resource around the world, and that is why it is important to provide support to developing countries.

3. What we can do to conserve the healthy oceans

SAKANA-KUN: SDGs Goal 14 also aims to prevent marine pollution and protect marine ecosystems. In recent years, the marine environment has undergone significant changes, such as the rise in seawater temperature and its acidification. Marine plastic litter is an especially serious problem. I once participated in a study to investigate how much plastic litter is floating in the sea. I was flabbergasted when our net filled up with plastic litter in just about 20 minutes. This is very worrying as marine organisms are sensitive to changes in their environment.

Minister: At the G20 Osaka Summit in June 2019, Japan shared the “Osaka Blue Ocean Vision,” which aims to reduce additional pollution by marine plastic litter to zero by 2050. Under the “MARINE Initiative” established to realize this vision, Japan is providing support for efforts to improve waste management in developing countries through ODA. As a part of this, Japan will provide training for 10,000 officials engaging in waste management by 2025.

SAKANA-KUN: How amazing! One of the ways in which marine plastic litter is generated is when litter on land flows into the sea through rivers and waterways. Therefore it is important for all individuals across the world to put effort into reducing waste in their daily lives, such as by using their own reusable bags and bottles, and by recycling waste. I hope that we can spread this vision from Japan to the world! Could you tell us about the activities for conserving the marine environment that have left on you a strong impression since you assumed office as Minister?

Minister: In December last year, I visited Mauritius, where I inspected the extent of damages from the oil spill caused by the grounding of the bulk carrier “WAKASHIO.” Through tireless efforts by the Government and the people of Mauritius and hard work of relevant parties, water in the surrounding sea had become visibly cleaner than when the accident occurred. This left a strong impression on me. I heard that the oil removal work had mostly been completed, but Japan will continue to work closely with the relevant parties so that Mauritius can regain its beautiful natural environment as well as its prosperous economy and life as soon as possible.

SAKANA-KUN: The world is connected by oceans. I have realized anew how important it is for the world to put concerted effort into conserving fish and healthy oceans, in order to achieve SDGs Goal 14. Individual efforts are also important, including for the marine plastic litter issue. As the Goodwill Ambassador for Sustainable Oceans and Fish, with the aim of achieving SDGs Goal 14, I will communicate the importance of sustainable use of fishery resources!



Foreign Minister Motegi inspecting the coastal area in Mauritius

fishing is unlikely to become viable in the near future, there have been concerns that unregulated fishing will begin as ice coverage in that area has diminished due to global warming. Consequently, ten states and organizations, including Japan and five states bordering the Arctic Ocean, signed the Agreement to Prevent Unregulated High Seas Fisheries in the Central Arctic Ocean in October 2018. As of the end of 2020, nine countries including Japan have signed the agreement.

As one of the largest tuna consumers, Japan has joined Regional Fisheries Management Organizations (RFMOs) for tuna, and leads discussions on strengthening conservation and management measures (CMM) at annual meetings and other occasions. With regard to the Pacific Bluefin tuna, at the 2020 meeting of the Northern Committee of the Western and Central Pacific Fisheries Commission (WCPFC), based on scientific knowledge concerning the adult fish stock recovery for example, Japan, same as in 2019, proposed an increased catch limit once again this year to an extent that a certain measure of achievement concerning its resource recovery target will be maintained. While some cautious comments resulted in the catch limit not being increased, revisions to the CMM were adopted and measures allowing an increase in the carryover limit for the portion of unused catch from 5% to 17% and a transfer of the small fish catch to the large fish catch were extended for one year. The total allowable catch (TAC) for Atlantic tuna has been increased based on the state of resource recovery in recent years, and email discussions, held upon the cancellation of the annual International Commission for the Conservation of Atlantic Tunas (ICCAT) in 2020, led to the decision to maintain the same level of the 2020 TAC for 2021, as well. Japan withdrew from the General Fisheries Commission for the Mediterranean (GFCM) on October 31, 2020 due to Japanese fishing vessels not having operated in the Mediterranean Sea since 2010 and conserva-

tion and management measures concerning tuna in the Mediterranean Sea, in which Japan has an interest, have been adopted in recent years only by ICCAT.

With respect to Pacific saury, the first fishing operations took place in accordance with fishing regulations adopted at the 5th Annual Session of the North Pacific Fisheries Commission (NPFC), held in 2019. In 2020, as the media reported extensively on record poor catches of and high prices for Pacific saury, there was a renewed interest in the importance of using fisheries resources sustainably, changes in the marine environment, and the sustainability of Japan's fishing industry. Measures for more robust resource management will be needed at the future sessions.

As for Japanese eel, same as 2019, at the informal consultation on international cooperation led by Japan in June, Japan, the ROK and Chinese Taipei agreed to cooperate toward establishing limits for glass eel into aquaculture ponds and improving traceability in international trade.

4 Foreign Direct Investment in Japan

Regarding the promotion of foreign direct investment in Japan, the "Council for Promotion of Foreign Direct Investment in Japan," which has been held since 2014, is spearheading initiatives to promote activities for discovering and attracting investments while gathering opinions from foreign company managers. At the same time, Japan continues to respond to the needs of foreign companies by making further progress in implementing additional measures such as regulatory and institutional reforms and support measures that help improve the investment environment in Japan. Based on the "Five Promises for Attracting Foreign Businesses to Japan," decided at the second meeting of the Council for Promotion of Foreign Direct Investment in Japan, held in March 2015, foreign companies have been utilizing the Invest-

ment Advisor Assignment System³ since April 2016 and are meeting with the relevant State Ministers in charge and State Minister for Foreign Affairs. Japan has undertaken a variety of initiatives in order to meet the target of doubling (compared to 2012) foreign companies' direct investment in Japan to 35 trillion yen by 2020 (33.9 trillion yen as of the end of 2019). In accordance with the Basic Policy on Economic and Fiscal Management and Reform (Cabinet Decision on July 17, 2020), the Cabinet decided on a draft policy for formulating a "Medium and Long-term Strategy for Promoting Foreign Direct Investment in Japan 2021" at the 8th meeting of the Council for Promotion of Foreign Direct Investment in Japan, held in July, which aims to formulate a medium- to long-term strategy that includes Key Performance Indicators (KPI). To this end, this strategy will be discussed with an initial focus on ramping up calls for more start-up companies and calls to rural areas.

MOFA, along with implementing various measures adopted by the Council for Promotion of Foreign Direct Investment in Japan, is also utilizing diplomatic resources to engage in initiatives through diplomatic missions overseas and trade promotion by key government officials. The "Contact Points for Direct Investment toward Japan," established at 126 diplomatic missions overseas in April 2016, have been collaborating with the Japan External Trade Organization (JETRO) to conduct surveys of requests for improvements to Japanese regulations and systems, call for investments in Japan by making use of networks of contacts at diplomatic missions overseas, and hold events for promoting foreign direct investment in Japan, among other initiatives. Diplomatic missions conducted more than 750 cases in FY2019.

5 The Road to 2025 World Expo Osaka (Expo 2025 Osaka, Kansai, Japan)

In accordance with "The Act on Special Measures Necessary for Preparing for and Managing of the International Exposition in 2025," the Headquarters for the World Expo was established at the Cabinet Secretariat in September to work with the relevant ministries and agencies, the business community and local governments to prepare for the Expo 2025 Osaka, Kansai, Japan.

Following the approval of a registration application for the Expo 2025 Osaka, Kansai, Japan at the General Assembly of the Bureau International des Expositions (BIE) held on December 1, Japan, as the host country, began activities to officially invite other countries and international organizations to participate in the expo 2025 Osaka, Kansai, Japan. On December 21, the International Exhibitions Promotion Office formulated Japan's basic policy of the government toward the Expo 2025 Osaka, Kansai, Japan. Domestic preparations for this expo have also begun that include selecting a producer, deciding on a logo, and formulating a basic policy (see the Column on page 209).

With the theme of "Designing Future Society for Our Lives," Expo 2025 Osaka, Kansai, Japan aims to utilize this expo as an important opportunity to broadly disseminate information about Japan's appeal and accelerate initiatives toward the United Nations' Sustainable Development Goals (SDGs), which are all to be achieved by 2030. Japan will continue making a concerted national effort aimed at ensuring the expo inspires and surprises people around the world, while also bringing joy to everyone in Japan.

³ A system that seeks to prepare an environment in which foreign companies who have made important investments in Japan can easily consult with the Government of Japan through State Ministers and other officials that oversee the main industries in which these companies engage

Column

Expo 2025 Osaka, Kansai, Japan: Thoughts and Sentiments included in the Logo Design

The logo for the 2025 World Exposition in Japan (hereinafter referred to as “Expo 2025 Osaka, Kansai, Japan”) was confirmed on August 25. The Japan Association for the 2025 World Exposition solicited proposals for the public to submit logo designs, and received a total of 5,894 works. The design produced by TEAM INARI (Representative: Mr. Shimada Tamotsu) was selected as the logo. We spoke to the team about the thoughts and sentiments they had included in the logo, and their expectations for the Expo 2025 Osaka, Kansai, Japan.

— The logo for the Expo 2025 Osaka, Kansai, Japan created a stir for its unique design, and was even picked up by foreign press. How did you come up with the idea for this logo?

Mr. Shimada: The theme of the Expo 2025 Osaka, Kansai, Japan is “Designing Future Society for Our Lives,” and we were presented with key ideas such as “every individual reaching their full potential and excelling,” and “connecting individuals to realize co-creation.” Based on these concepts, we started production with the idea of viewing a simple circle as a single life, imbuing it with various character traits, and connecting them again.

— Could you tell us about the thoughts you included in this logo design?

Mr. Shimada: We created this logo on the concept of “the cell,” which supports the vitality of life. The parts of the logo that look like eyeballs are in fact inspired by the cherry blossom petals in the logo of the Japan World Exposition, 1970 Osaka Expo, and the two are matching in both form and number. In other words, it is a metaphor that suggests that the Expo 2025 Osaka, Kansai, Japan succeeds the 1970 Osaka Expo through the “DNA (genes)” in the cells. We have included in this logo our hopes that the event will pass on the history and culture of Osaka to the future.

— The theme of the Expo 2025 Osaka, Kansai, Japan places importance on the Sustainable Development Goals (SDGs) established by the United Nations. Does the logo have any connection to the SDGs?

Mr. Shimada: The perspective of “a world in which no one is left behind,” as set out in the SDGs, is one that resonates strongly with us. Hence, this logo was created with a view to sending our message that each individual can make most use of his/her brilliant uniqueness. Even if we are looking in different directions, we can surely still join hands. We can accept and respect each other. These sentiments have definitely been included in the design of this logo.

— It is hoped that the logo will be spread and seen widely by people around the world as we move toward the Expo 2025 Osaka, Kansai, Japan, which will take place in four years’ time. In what ways do you hope it will succeed?

Mr. Shimada: This logo may be taken differently depending on viewer. It appears to be something that does not stay still and is constantly on the move; in this sense, it may appear to be unstable in some way. Nevertheless, I think of it as something that is “living.” I hope that this “fetal movement” will become a full, dynamic movement someday. I hope that the people in the world support the Expo 2025 Osaka, Kansai, Japan so that it will be a stage for such movement.

— Having the Expo '70 Commemorative Park and Tower of the Sun makes the 1970 Osaka Expo feel like it is still close to our hearts in Kansai even today. As a citizen from Osaka, what do you expect for this upcoming Expo?

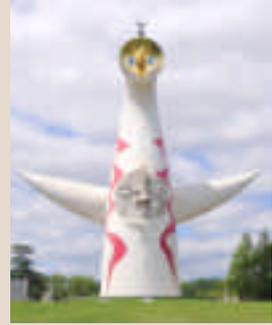


Logo of the Expo 2025 Osaka, Kansai, Japan



Logo of the 1970 Osaka Expo (Photo: Osaka Prefectural Government)

Mr. Shimada: The members of TEAM INARI are all creators who are based and active in Osaka. Two are from the generation who experienced the 1970 Osaka Expo, and they still clearly remember the global scale of excitement they felt at the time. We are surprised that technologies and ideas such as mobile phones and videophones, electric vehicles, and linear motor cars, which were only a dream at the time, have become reality before we knew it. I believe the Expo 2025 Osaka, Kansai, Japan will stir that sense of wonder again, in a way that befits our present era. We will be able to share the story of “a future that will surely come true” with the world once again in Japan, and in Osaka too. I am already looking forward to that moment.



Tower of the Sun (Photo: Osaka Prefectural Government)



TEAM INARI at the press conference for the announcement of the Best Logo Design Award (Photo: Japan Association for the 2025 World Exposition)