Overview of Economic Diplomacy

In the international community, as competition among nations arises in the fields of politics, economy, and the military, the balance of power in the international arena is changing in an increasingly rapid and complex manner, while uncertainty over the existing international order is growing. The novel coronavirus disease (COVID-19) pandemic caused a rapid worldwide economic downturn through the suppression of economic activity. Since then, although the global economy as a whole has shown signs of a gradual recovery as the impact of COVID-19 has waned, prices are now soaring due to a combination of a recovery in demand and the impact of the situation in Ukraine. The outlook remains uncertain due to volatility in financial and capital markets, ballooning governmental debt arising from COVID-19 countermeasures, rising maritime transport and other logistics costs, and rising energy and commodity costs.

Amid these circumstances, Japan has continued its efforts for rule-making and further trade liberalization through economic partnerships. In January 2022 the Regional Comprehensive Economic Partnership (RCEP) Agreement entered into force. With regard to the World Trade Organization (WTO), which is central to the multilateral trading system, the Twelfth Ministerial Conference, which had been postponed three times so far, was held in June. During the Conference, there was an agreement for the first time in approximately six and a half years to adopt a Ministerial Declaration, and the Conference succeeded in achieving results on important themes such as the COVID-19 response and negotiations on fisheries subsidies. Additionally, with regard to e-commerce negotiations, which were initiated by like-minded countries, Japan, along with Australia and Singapore, the co-conveners of e-commerce negotiations, issued the Ministers’ Statement on the WTO Joint Statement Initiative on E-Commerce to express their willingness to remain committed to reaching an agreement on a global set of digital trade rules.

Based on the above assessment, Japan has advanced initiatives with the aim of accelerating the promotion of economic diplomacy as one of the priority areas of its diplomacy, centered around the following three areas: (1) rule-making and initiatives through international organizations to bolster free and open global economic systems by promoting economic partnership agreements, while maintaining and strengthening the multilateral trading system; (2) supporting the overseas business expansion of Japanese companies through promotion of public-private partnerships; and (3) promoting resource diplomacy along with inbound tourism toward Japan.

Promotion of Rule-Making to Bolster Free and Open Global Economic Systems

(1) Promotion of Economic Partnerships

In recent years, despite the advancement of economic globalism, there have been clear developments toward protectionism as COVID-19 infections spread, and furthermore, the global economy as a whole is in turmoil due to Russia’s aggression against Ukraine. In such circumstances, Japan has emphasized and steadily promoted Economic Partnership Agreements (EPAs) and Free Trade Agreements (FTAs), which help capture the vitality of the growing market overseas and strengthen the basis of the Japanese economy through measures such as the reduction or elimination of tariffs on goods as well as barriers on trade in services, and through rule-making for trade and investment.
The Japan-UK CEPA entered into force on January 1, 2021, followed by the entry into force of the RCEP Agreement on January 1, 2022 for Japan, Brunei, Cambodia, Laos, Singapore, Thailand, Viet Nam, China, Australia, and New Zealand. This brought the EPA/FTA ratio in Japan’s trade (the ratio of trade value with countries that have EPAs/FTAs already signed or entered into force with Japan, to Japan’s total trade value) to around 78.0% (source: Trade Statistics, Ministry of Finance, 2023).

Furthermore, in January 2023 the Protocol Amending the Trade Agreement between Japan and the United States of America, which modifies the conditions for the application of agricultural safeguards on U.S. beef, entered into force.

To advance a free and fair economic order, the basis for its own peace and prosperity, Japan will proactively continue its endeavors, including maintaining the high standards of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), ensuring the full implementation of the RCEP Agreement, and negotiating other economic partnership agreements.

A Multilateral Agreements and Other Matters

(A) Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP)

The CPTPP is an agreement that promotes efforts to establish new economic integration rules for the 21st century in a wide range of areas such as tariffs, services, investments, E-commerce, intellectual property, and state-owned enterprises. It also provides opportunities for Japanese companies to better thrive in overseas markets, giving it important economic significance as a major driving force for the country’s economic growth. Furthermore, the CPTPP has great strategic significance in that it facilitates the building of a free and fair economic order together with countries that share fundamental values such as freedom, democracy, fundamental human rights, and the rule of law, contributing to Japan’s security and stability in the Indo-Pacific region as well as leading to peace and prosperity in the region and the world at large. The 12 countries of Japan, Australia, Brunei, Canada, Chile, Malaysia, Mexico, New Zealand, Peru, Singapore, the U.S., and Viet Nam signed the Trans-Pacific Partnership Agreement (TPP12 Agreement) in February 2016. However, due to the U.S.’ announcement of its withdrawal from the TPP12 Agreement in 2017, Japan proactively led discussions among the 11 countries for the early realization of the TPP Agreement in principle was reached at the TPP Ministerial Meeting in November 2017, and the CPTPP was signed in Chile in March 2018. The six countries (Mexico, Japan, Singapore, New Zealand, Canada, and Australia) completed necessary domestic procedures and the Agreement entered into force on December 30, 2018. Viet Nam became a Party in January 2019, Peru in September 2021, and Malaysia...
in November 2022, and the Agreement entered into force with nine Parties.

Since the CPTPP entered into force, six CPTPP Commission meetings have been held mostly at the ministerial level. At the Fourth Commission meeting in June 2021, it was decided to commence the accession process with the UK, which formally submitted its accession request in February, 2021, and to establish an Accession Working Group (AWG) for the UK. The first meeting of the AWG was convened in September 2021. In July 2022, the AWG meeting was held in Tokyo with the CPTPP Members and the UK holding in-depth discussions on a variety of issues to ensure that the accession process can appropriately proceed while maintaining the high standards of the Agreement in terms of its rules and market access. The progress of the accession process with the UK presents a powerful message to the world that the CPTPP will drive forward free trade. It also provides important momentum for expanding free and fair trade and investment rules for the 21st century. To ensure that the UK's accession process proceeds smoothly while maintaining the high level of the CPTPP, Japan will hold substantial discussions in the AWG as its chair. In October, the 6th Commission meeting was held in Singapore. In this meeting, which was the first face-to-face ministerial-level meeting to be held in three years since the First commission meeting, the Members affirmed their commitment to engage in crucial trade matters that concern the region, such as building resilient supply chains impacted by the pandemic, and to counter unjustified trade restrictive measures and economic coercion. In addition, reports were made on the results of each of the Committee’s activities and on the progress of cooperation made in the digital economy and green economy fields. There were also active discussions amongst the attending Ministers, including a report from Japan, Chair of the AWG, on the UK’s accession process. Formal accession requests were submitted by China on September 16, 2021, Taiwan on September 22, 2021, Ecuador on December 17, 2021, Costa Rica on August 10, 2022, and Uruguay on December 1, 2022. While carefully assessing whether the aspirant economies that submitted accession requests are prepared to fully meet the high standards of the CPTPP in terms of its market access and rules, Japan will deal with this matter while taking into account strategic perspectives and public understanding.

(B) Japan-EU Economic Partnership Agreement (Japan-EU EPA)
The EU is Japan’s third largest export partner (9.2% of total exports) and its second-largest import partner (11.1% of total imports). The combined GDP of Japan and the EU is 22.1 trillion US dollars, with total trade of 14.6 trillion US dollars (as of 2021 for both figures). The Japan-EU EPA, which entered into force in February 2019, constitutes a free and advanced economic area that accounts for approximately one fourth of global GDP and one third of global trade, and trade between Japan and the EU has remained strong on the basis of this Agreement, despite the impact of COVID-19 and Russia’s aggression against Ukraine.

After the Agreement entered into force, discussions have continued through Joint Committees and Specialised Committees in 12 areas in order to ensure its steady implementation. At the third meeting of the Joint Committee held in March, discussions were held on the effective operation of the Agreement, and cooperation between Japan and the EU on various economic issues was confirmed. In October, formal negotiations began for the inclusion of “provisions on the free flow of data” into the Agreement. Japan will continue to aim for the further development of Japan-EU economic relations based on this Agreement.

(C) Japan-UK Comprehensive Economic Partnership Agreement (Japan-UK CEPA)
The Japan-UK EPA, which entered into force in January 2021, ensures business continuity for Japanese companies after the UK left the EU and is a key foundation for further strengthening Japan-UK relations. The Japan-UK EPA, based on the Japan-EU EPA and comprising 24 chapters in total, stipulates rules that are more advanced and high-level than those of the Japan-EU EPA in such areas as electronic commerce and financial services, and also improves access to the UK market for some items such as railway vehicles and automobile parts. It is also Japan’s first EPA to include a chapter on Japan-UK cooperation to promote women’s access to the opportunities and benefits created by trade. Japan is now exchanging information on the
implementation of the Agreement through specialized committees and working groups in 13 fields. In February, the first meeting of the Joint Committee was held to confirm the operational status of the Agreement and to strengthen cooperation between Japan and the UK in areas such as digital trade and climate change. Japan will continue to closely work together with the UK with the aim of further deepening Japan-UK economic relations.

(D) Japan-China-ROK FTA
The Japan-China-ROK FTA is the one with Japan’s major trading partners: China and the ROK. Negotiations began in March 2013 and a total of 16 rounds of negotiations had been held as of December 2022.

(E) Regional Comprehensive Economic Partnership (RCEP) Agreement
The RCEP Agreement is an economic partnership agreement with a total of 15 member states, namely the ASEAN member states, Japan, Australia, China, the ROK, and New Zealand. RCEP participating countries account for roughly 30% of the world’s total GDP, total trade, and population. The entry into force of the Agreement is expected to further strengthen Japan’s ties with the regions serving as the world’s growth center, thus contributing to the economic growth of Japan. Following a ceremony to launch RCEP negotiations during the ASEAN-related summit meeting held in Phnom Penh, Cambodia in November 2012, there were eight years of negotiations that included four summit meetings, 19 ministerial meetings, and 31 rounds of negotiations. The Agreement was signed on the occasion of the fourth RCEP Summit on November 15, 2020. Although India had participated from the start of negotiations, at the third Summit in November 2019, India declared that it would not participate in further negotiations and did not sign the RCEP Agreement. However, at the signing, Signatory States issued a “Ministers’ Declaration on India’s Participation in the RCEP,” which clarified that the Agreement would be open for India, and stipulated a facilitation of India’s future accession and allowed it to participate in related meetings as an observer. Due to the significant economic and strategic importance of India’s participation in the RCEP, Japan will continue to play a leading role for the future participation of India to the RCEP Agreement.

The RCEP Agreement entered into force on January 1, 2022. The first Joint Committee meeting was held online on April 26 and 27, and the inaugural RCEP Ministers’ Meeting was held in Siem Reap, Cambodia on September 17. Japan will coordinate closely with countries involved to enforce economic activity that is based on free and fair rules in the region by ensuring the full implementation of the Agreement.

(F) Free Trade Area of the Asia-Pacific (FTAAP) Concept
The Lima Declaration on the FTAAP adopted at the 2016 Asia-Pacific Economic Cooperation (APEC) summit meeting confirmed mainly the following two points: (1) the FTAAP would be high quality and comprehensive, and address next-generation trade and investment issues, being built in accordance with the CPTPP and the RCEP Agreement; (2) efforts would begin on implementing work plans supporting related capacity building. Thailand, which became the APEC Chair in 2022, compiled a “FTAAP Agenda Work Plan” and called for a progress report on its implementation at the APEC Ministerial Meeting in 2023.

Since 2017, Japan has been continuously providing capacity building support through policy dialogues, etc. concerning the “competition chapters” in FTAs and EPAs and investment policies. From the viewpoint of achieving a comprehensive and high-quality FTAAP, it is highly significant that the CPTPP entered into force at the end of December 2018 and that the RCEP Agreement entered into force in January 2022.

B Bilateral Agreements
(A) Japan-Turkey EPA
As an important country that serves as a hub among Europe, the Middle East, the Central Asia and Caucasus region, and Africa, Turkey has considerable economic potential and is attracting attention as a production base for exports to surrounding regions. Turkey has signed FTAs with over 20 countries and regions, and the need has been recognized for Japan to develop conditions of competition for Japanese companies through the conclusion of an EPA.
Furthermore, business communities in both countries have high expectations for an early conclusion of an EPA between the two countries. At the Japan-Turkey Summit Meeting in January 2014, the leaders agreed to launch negotiations, and 17 rounds of negotiations had been held as of the end of 2022.

(B) Japan-Colombia EPA
Japan began EPA negotiations in December 2012 with Colombia, a country with rich natural resources and high economic growth. Since Colombia has concluded FTAs with a number of countries (including the U.S., Canada, the EU and the ROK), it has been increasingly necessary for Japan to establish a competitive environment in the country. The strengthening of bilateral relations through an EPA is also expected to lead to improved cooperation in the international arena and promote cooperation among Japan and the Pacific Alliance (Mexico, Colombia, Peru, and Chile). Negotiations are currently ongoing.

C Other Existing EPAs
The existing EPAs contain provisions concerning the joint committee, which is a body that discusses the implementation of the agreements, and a process to review the agreements after a certain period of time following their entry into force. In addition, a variety of consultations are being held in order to smoothly implement EPAs after their entry into force.

In accordance with the EPAs, Japan has been accepting candidates for nurses and certified care workers from Indonesia, the Philippines, and Viet Nam. In total, 3,633 (as of FY2022) candidates have been accepted from Indonesia (since 2008), 3,384 (as of FY2022) from the Philippines (since 2009), and 1,696 (as of FY2022) from Viet Nam (since 2014). The total number of nurses and certified care workers who have passed national exams is 573 and 2,136 individuals, respectively, as of FY2021.

D Investment-related Treaties
Investment-related treaties (Investment agreement and EPA/FTA including investment chapter) constitute
an important legal basis to improve predictability for investors and promote investment by establishing common rules for the protection of investors and their investment property, enhancement of transparency in regulations, expansion of investment opportunities, procedures for investment dispute settlement, and other matters. Japan has actively engaged in concluding investment agreements, as these agreements are considered to improve the investment environment for Japanese companies overseas and to attract foreign investment to the Japanese market.

In 2022, the Japan-Morocco Investment Agreement entered into force in April and the Japan-Bahrain Investment Agreement was signed in June. As of the end of January 2023, 52 investment-related agreements have entered into force (35 investment agreements and 17 EPAs), and three investment-related agreements have been signed but have not yet entered into force (two investment agreements and one EPA). Altogether, there will be 55 investment-related agreements covering 80 countries and regions. Including investment-related agreements that are currently under negotiation, these investment-related agreements will cover 94 countries/regions and approximately 95% of Japan’s outbound direct foreign investment.

**E  Tax Conventions/Agreements on Social Security**

**(A) Tax Conventions**

Tax conventions are intended to eliminate international double taxation in cross-border economic activities (e.g. to reduce or exempt withholding taxes imposed on investment income such as dividends), or to prevent tax evasion or avoidance, and provide an important legal basis for promoting sound investment and economic exchange between two countries. To support the sound overseas business expansion of Japanese companies, the Government of Japan is working to expand the necessary tax treaty networks, both in terms of quality and quantity.

Entering into force in 2022 were a tax treaty with Morocco in April, a tax treaty with Colombia in September, and a revised protocol for a tax treaty with Switzerland in November. Furthermore, a new (completely revised) tax treaty was reached with Azerbaijan in May, and a tax treaty with Algeria was agreed to in substance in June. As of December 2022, Japan has signed 84 tax treaties applied to 151 economies.

**(B) Agreements on Social Security**

Agreements on social security aim to resolve the issues of the double payment of social security insurance premiums and annuity insurance non-refunds. They are expected to facilitate interpersonal exchange and strengthen further bilateral relations, including economic exchange, by reducing the burden on Japanese companies and citizens working overseas. The total number of countries that have concluded or signed such agreements with Japan now stands at 23 as of December 2022.

**(2) Initiatives with International Organizations**

**A  World Trade Organization (WTO)**

**(A) The 12th WTO Ministerial Conference (MC12)**

The 12th WTO Ministerial Conference (MC12) was held in Geneva from June 12 to 17. After being postponed three times, MC12 was finally held after four and a half years. For the first time in about six and a half years, the WTO Ministerial Conference also achieved results such as the issuance of the Ministerial Declaration. Parliamentary Vice-Minister for Foreign Affairs MIYAKE Shingo from the Ministry of Foreign Affairs (MOFA) attended the meeting, actively held bilateral talks, and contributed to coordinating the opinions to achieve the results. Furthermore, he participated in an EU-sponsored solidarity with Ukraine meeting, and in a UK-sponsored meeting on trade effort to support Ukraine, expressing solidarity with Ukraine and condemning Russia’s aggression.

MC12 confirmed the role that the WTO should play as a trade organization in addressing the current challenges faced by the international community, such as the COVID-19 crisis and the food supply problems caused by Russia’s aggression against Ukraine. Discussions were also held on the role of trade in addressing future crises and in the process of economic

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1 “Regional balance of Direct Investment (Assets),” Ministry of Finance (All regions) (As of the end of 2021)
Current investment-related agreements (as of the end of July 2022)

Negotiation status of investment-related agreements

- In force: 52 (35 investment agreements, 17 EPAs)
- Signed, not yet in force: 3 (2 investment agreements, 1 EPA)
- Under negotiation: 18 agreements (15 investment agreements, 3 EPAs)

In force: 52 (35 investment agreements, 17 EPAs)
Signed, not yet in force: 3 (2 investment agreements, 1 EPA)
Under negotiation: 18 agreements (15 investment agreements, 3 EPAs)

■ In force (terminated agreements excluded)

Investment agreement
1 Egypt (1978) 19 Myanmar (2014)(1)
3 China (1989) 21 Colombia (2015)(1)
11 Cambodia (2008)(1) 29 Israel (2017)(1)
13 Uzbekistan (2009)(1) 31 Jordan (2020)
14 Peru (2009)(1) 32 United Arab Emirates (2020)
16 Kuwait (2014)(1) 34 Georgia (2021)(1)
17 Iraq (2014) 35 Morocco (2022)
18 Japan, China and Republic of Korea (2014)

EPA including investment chapter
1 Canada 19 Mongolia (2016)(1)
2 Japan, China, and Republic of Korea 20 Mozambique (2014)(1)
3 Turkey 21 Colombia (2015)(1)
6 Turkmenistan 24 Saudi Arabia (2017)
7 Peru (2009)(1) 25 Uruguay (2017)(1)
8 Kyrgyz Republic 26 Iran (2017)

Signed / not in force

TPP Agreement* (signed February 2016, approved) (EPA)(L)
Argentina (signed December 2018, approved)(1)
Bahrain (signed June 2022, unapproved)

Note: TPP Agreement denotes Trans-Pacific Partnership Agreement

■ Under negotiation

Investment agreement
1 Angola 9 Nigeria
2 Algeria 10 Zambia
3 Qatar 11 Ethiopia
4 Ghana 12 Tajikistan
5 Tanzania 13 EU
6 Turkmenistan 14 Paraguay
7 Senegal 15 Azerbaijan
8 Kyrgyz Republic

EPA/FTA including investment chapter
1 Canada
2 Japan, China, and Republic of Korea
3 Turkey

■ Signed / not in force

- TPP Agreement* (signed February 2016, approved) (EPA)(L)
- Argentina (signed December 2018, approved)(1)
- Bahrain (signed June 2022, unapproved)

Note: TPP Agreement denotes Trans-Pacific Partnership Agreement

■ In force (terminated agreements excluded)

Note: A private investment arrangement with investment liberalization was made between Japan and Taiwan in 2011.

EPA including investment chapter
1 Singapore (2002)(1) 12 Mongolia (2016)(1)
3 Malaysia (2006)(1) 14 EU (2019)(1)
4 Chile (2007)(1) 15 ASEAN (2020)(1)
5 Thailand (2007)(1) 16 UK (2021)(1)
6 Brunei (2008)(1) 17 RCEP Agreement (2022)(1)
7 Indonesia (2008)(1) 17 RCEP Agreement (2022)(1)
9 Switzerland (2009)(1) 19 Mongolia (2016)(1)
10 India (2011)(1) 20 Mozambique (2014)(1)
11 Australia (2015)(1) 21 Colombia (2015)(1)

Notes:
1: TPP11 Agreement: Comprehensive and Progressive Agreement on Trans-Pacific Partnership
2: year of entry into force of the Protocol to Amend the Agreement
3: RCEP Agreement: Regional Comprehensive Economic Partnership Agreement

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recovery, as well as discussions on rule-making in areas such as fisheries subsidies. As a result of persistent discussions that lasted well into the night, extending the originally scheduled session, Ministerial Declarations and Ministerial Decisions were adopted in the specific areas of pandemic response, responses to food insecurity, exemptions of World Food Programme (WFP) food purchases from export prohibitions and restrictions, and extension of the current practice of not imposing customs duties on electronic transmissions until the next WTO Ministerial Conference (MC13).

Furthermore, after more than 20 years of negotiations, numerous other results were obtained in addition to this, such as the conclusion of negotiations on fisheries subsidies (see the Special Feature on page 301).

With regard to e-commerce negotiations, which were initiated by like-minded countries, Japan, Australia and Singapore, who are co-conveners of e-commerce negotiations, expressed their willingness to remain committed to reaching an agreement on global digital trade rules, and released the Ministers’ Statement. As a co-convenor on e-commerce negotiations, Japan will continue to lead discussions in order to formulate high-level rules in a way that includes many participating countries.

(B) Visit to Japan by Director-General Ngozi Okonjo-Iweala of the WTO

From October 18 to 20, Director-General Okonjo-Iweala of the WTO visited Japan for the first time since assuming the post of Director-General. In addition to meeting with dignitaries of Japan, including a courtesy call to Prime Minister Kishida and a working dinner with Foreign Minister Hayashi, she exchanged views with executives from the ruling party of Japan and the Japan Business Federation (Keidanren), and gave a lecture at the Japan Institute of International Affairs. During her meetings with senior officials of Japan, Director-General Okonjo-Iweala expressed her appreciation for Japan’s contributions to the WTO thus far, and expressed her strong expectations for the role of Japan as the G7 Presidency in 2023. In response, Prime Minister Kishida stated that he would support the leadership of Director-General Okonjo and actively contribute to discussions at the WTO. In addition, Foreign Minister Hayashi stated that as the international environment surrounding trade is undergoing major changes, it is now more important than ever for the WTO, as the core of the multilateral trading system, to fulfill its functions for meeting the demands of the time. Foreign Minister Hayashi and Director-General Okonjo-Iweala also confirmed that Japan and the WTO will continue to work closely toward the next WTO Ministerial Conference.

Since assuming her office in February 2021, Director-General Okonjo-Iweala has visited major countries, including Japan. Furthermore, she has actively participated in various international conferences and has strongly promoted cooperation with member states on issues that the WTO faces, including the fisheries subsidies negotiations and WTO reforms. In 2022, in addition to trade-related meetings, including the G7 and G20, the WTO also participated in non-trade-related international conferences, such as the Eighth Tokyo International Conference on African Development (TICAD 8) held in Tunisia in August and the 27th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP27) held in Egypt in November, and has been active in communicating the relationship between global issues and international trade.

(C) Dispute Settlement

The WTO dispute settlement procedures are a system for settling economic disputes between WTO Members based on rules, and serve as a pillar that imparts security and predictability to the multilateral trading system. Since December 2019, the Appellate Body that serves as the Second Instance (final instance) has “ceased to function” due to a lack of members needed for deliberation, but the dispute settlement system itself continues to be used by member states. In 2022 eight disputes were submitted, and, in the 27 years since the WTO was established, 615 cases have

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2 Related article: (Japanese only) https://www.mofa.go.jp/mofaj/ecm/ds/page24_000710.html
At the Twelfth Ministerial Conference of the World Trade Organization (WTO) held in Geneva, Switzerland, in June, all 164 member countries and regions reached a consensus, and a new protocol was adopted to add the Agreement on Fisheries Subsidies to the WTO Agreements.

The Agreement on Fisheries Subsidies aims to achieve the sustainable use of living marine resources by prohibiting subsidies for illegal, unreported, and unregulated (IUU) fishing, and others. Up until now a variety of efforts have been made by Regional Fisheries Management Organizations (RFMOs) and the Food and Agriculture Organization of the United Nations (FAO) from the perspective that international cooperation is necessary to effectively deter IUU fishing. Under the FAO framework, the Agreement on Port State Measures (PSMA), which Japan joined in 2017, allows port states to deny entry to and use of their ports to vessels that are engaged in IUU fishing. In contrast to this, the Agreement on Fisheries Subsidies, with respect to the fisheries subsidies that are granted by each country, stipulates prohibition of subsidies that contribute to IUU fishing and prohibition in principle of subsidies regarding overfished stocks and so forth.

The Sustainable Development Goals (SDGs) of the UN that were adopted in 2015 call for the elimination of subsidies that lead to IUU fishing. The conclusion of this Agreement will contribute to achieving this goal. At the same time, it is also important that it is the first agreement adopted with the participation and negotiation of all WTO Member countries and regions since the WTO Trade Facilitation Agreement that entered into force in 2017, thereby demonstrating that the WTO’s rule-making function remains sound and well.

When a new WTO agreement is accepted by two-thirds of the WTO Member countries/regions, it then enters into force for those countries/regions, and thereafter it enters into force for other countries/regions when each one of them accepts the agreement. Early entry into force of the Agreement is desirable as it is expected to contribute to promoting global fisheries resource management and to realizing the sustainable use of living marine resources.

been filed, including 6 current cases\(^3\) in which Japan is one of the parties.

**B Organisation for Economic Co-operation and Development (OECD)**

**(A) Features**

The OECD researches and analyzes a broad range of economic and social fields and makes specific policy recommendations to its members. Through discussions held by approximately 30 committees, it has formed international standards and rules. Since its accession to the OECD in 1964, Japan has been actively engaged in OECD initiatives through discussions at various committees as well as financial and human resources contributions.

**(B) 2022 OECD Ministerial Council Meeting**

The 2022 OECD Ministerial Council Meeting (MCM) met in Paris, France, on June 9 and 10 with Italy as Chair and Mexico and Norway as Vice Chairs, and discussed various issues under the theme of “The Future We Want: Better Policies for the Next

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\(^3\) India's safeguard measure on iron and steel products, the ROK's anti-dumping duties on stainless steel bars made in Japan, the ROK's support measures for the ROK's shipbuilding industry, India's handling of tariff increases on ICT products, Japan's review of export control procedures for the ROK, and China's anti-dumping duties on stainless steel products made in Japan.
Generation and a Sustainable Transition.” Minister of State for Economic and Fiscal Policy YAMAGIWA Daishiro and Parliamentary Vice-Minister for Foreign Affairs Miyake attended the meeting in person. Parliamentary Vice-Minister Miyake stated that Japan strongly condemns Russia’s aggression of Ukraine as an attempt to unilaterally change the status quo by force, and stressed the need for the OECD to continue to act in solidarity based on “shared values.” He also stated that it is important to disseminate OECD rules and standards to non-member countries, in particular to realize new accession from Southeast Asian countries, and expressed his expectation that the OECD Tokyo Centre will serve as a regional hub.

At the end of the MCM, the 2022 OECD Ministerial Council Statement was adopted, which reflects the positions and views of member countries on issues such as Russia’s aggression against Ukraine and climate change. In the Statement, elements such as condemnation of Russia’s aggression against Ukraine, countering economic coercion, promoting compliance with OECD standards by non-member countries, launching the Inclusive Forum on Carbon Mitigation Approaches (IFCMA), strengthening international cooperation on supply chains as well as corporate governance and Responsible Business Conduct (RBC), developing principles on government access, and continuing cooperation on “data free flow with trust (DFFT)” are included.

(C) Initiatives in Various Sectors
The OECD is strengthening its cooperation with the G20, G7, APEC, and other international fora, and is undertaking initiatives that include leading discussions on international taxation system reform, disseminating and implementing the G20 Principles for Quality Infrastructure Investment, addressing the issue of excess production capacity involving steel, and revising principles concerning corporate governance and aid coordination.

(D) Outreach to Southeast Asia
Due to the growing importance of Southeast Asia as a center for global economic growth, the OECD has been working to bolster relations with the region by holding policy talks and other events through the Southeast Asia Regional Programme (SEARP). In February the OECD SEARP Ministerial Conference was held in Seoul, ROK in a hybrid format, and Foreign Minister Hayashi sent a video message from Japan. Parliamentary Vice-Minister for Foreign Affairs TAKAGI Kei attended the OECD Southeast Asia Ministerial Forum held in Hanoi, Viet Nam in person, and stated that Japan will continue to support the efforts of Southeast Asian countries as a bridge between the OECD and Southeast Asia. Japan will continue to utilize the Tokyo Centre of the OECD to encourage future accession from Southeast Asian countries to the OECD.

(E) Contributions in Terms of Financial and Human Resources
As of 2022, Japan was the second largest financial contributor to the OECD, covering 9.2% of the OECD’s mandatory contributions (the U.S. is first, covering 19.9%). Moreover, Japanese nationals have successively served as one of the Deputy Secretary Generals (there are four positions in total; currently Deputy Secretary General TAKEUCHI Yoshiki), and 85 Japanese staff work at the OECD Secretariat as of the end of 2022.

(3) Intellectual Property Protection
Strengthening intellectual property protections is extremely important for the promotion of technological innovation and eventually for economic development. Japan has actively participated in multilateral consultations such as APEC, the WTO (TRIPS)\(^4\), and the World Intellectual Property Organization (WIPO), and is working to improve an environment for ensuring that Japanese intellectual property is appropriately protected and utilized overseas. For EPAs as well, Japan strives to establish regulations on intellectual property rights to ensure the adequate and effective protection of intellectual property. The CPTPP, the Japan-EU EPA, and the RCEP Agreement have stipulated contents on further promotion of the protection and use of intellectual property. Moreover, for the purpose of

\(^4\) TRIPS: Agreement on Trade-Related Aspects of Intellectual Property Rights
rapidly and efficiently providing assistance for Japanese companies that are facing problems such as counterfeit and pirated goods, the MOFA appoints Intellectual Property Officers at almost all of Japan’s diplomatic missions overseas so that they can advise Japanese companies and make inquiries with or requests to their counterpart governments. Furthermore, every year, Meetings of Intellectual Property Officers are held to assess the damage in each country and the response status by diplomatic missions overseas, exchange opinions and share best practices on building appropriate systems, and strengthen efforts to combat intellectual property right infringements. In 2022, the meetings were held with a focus on Middle East and Africa in February and China in November.

3 Leading Discussions at International Conferences

(1) G7
With the foundation of the international order shaken by Russia’s aggression against Ukraine which started in February, 2022 saw closer policy coordination than ever before in the G7, which shares fundamental values and principles.

At the G7 Elmau Summit held from June 26 to 28, under the overall theme of “Progress towards an equitable world” that was set forth by the German Chancellor Franz Scholz, which holds the G7 Presidency, in addition to the response to Russia’s aggression against Ukraine, the G7 leaders had candid discussions on issues such as the global economy, including price measures, regional affairs in the Indo-Pacific and other regions, climate change, and food security. As in previous years, invited countries and organizations participated in parts of the conference, and President Volodymyr Zelenskyy of Ukraine participated online in the session on the situation in Ukraine.

Prime Minister Kishida called for the G7, which shares values and principles, to continue to lead the international community’s efforts on the situation in Ukraine. Regarding the global economy, he said that the G7 should also strengthen unity to protect people’s livelihoods from rising prices. On regional affairs, the G7 reiterated the importance of maintaining “Free and Open Indo-Pacific (FOIP)” that is inclusive and based on the rule of law. Prime Minister Kishida explained that China continues to intrude into Japanese territorial waters surrounding the Senkaku Islands, and emphasized the importance of peace and stability in the Taiwan Strait. Furthermore, Prime Minister Kishida stated that Russia’s threat to use nuclear weapons and North Korea’s progress in nuclear weapons and missile development have once again demonstrated the threat of nuclear weapons to the international community. He noted that maintaining and strengthening the Nuclear Non-Proliferation Treaty (NPT) is becoming increasingly important, and pointed out that, in order to achieve a “world without nuclear weapons,” the declining trend in the number of nuclear weapons in the world must not be reversed. On climate and energy, he stated that it is essential to simultaneously work to achieve carbon neutrality and to strengthen energy security. On food security, he stressed the importance of ending Russia’s aggression against Ukraine, which is the root cause of the problem, and of showing solidarity through concrete assistance to countries facing real food crises.

At the conclusion of the Summit, Prime Minister Kishida announced that, as the next G7 Presidency, the next G7 Summit would be held in Hiroshima in May 2023. Prime Minister Kishida stated that, with the world facing an unprecedented crisis of aggression
against Ukraine and a growing risk of the use of weapons of mass destruction, at the 2023 G7 Summit he hopes to demonstrate with historic weight the G7’s willingness to firmly reject armed aggression, threats with nuclear weapons, and attempts to overthrow the international order.

As a result of the discussions, the G7 leaders confirmed that the G7 would unite to uphold the international order against Russia’s aggression against Ukraine, and as a summary of the discussions, a G7 Leaders’ Communiqué and five individual statements were issued.

Under Germany’s G7 Presidency in 2022, in addition to the Elmau Summit in June, in order to discuss the G7 response to the Russian aggression against Ukraine a face-to-face extraordinary G7 Summit Meeting was held in Brussels, Belgium in March along with additional extraordinary online G7 Summit Meetings in February, May, October, and December.

In addition to the G7 Summit Meetings, numerous Ministerial Meetings were also held, with G7 Foreign Ministers’ Meetings alone being held 11 times in 2022 (includes G7 Foreign Ministers’ Meetings that were held online). Two independent face-to-face G7 Foreign Ministers’ Meetings, held in Weissenhaus, Germany from May 12 to 14 and in Münster, Germany from November 3 to 4, featured in-depth exchanges of views on Ukraine, China, North Korea, the Indo-Pacific, and the Middle East. In addition, at the G7 Foreign Ministers’ Meeting in May, G7 cooperation was confirmed on COVID-19, infrastructure development, and climate change, and, at the G7 Foreign Ministers’ Meeting in November, the Foreign Ministers of Ghana and Kenya and the Deputy Chairperson of the African Union (AU) were also invited to a part of the Meeting and the situation in the African region was also discussed.

As for the G7 Trade Ministers’ Meetings, the first Meeting was held online on March 23, and the second meeting was held in Neuhardenberg, Germany on September 14 and 15. Foreign Minister Hayashi and Minister of Economy, Trade and Industry HAGIUDA Koichi attended the Meeting on March 23, while Minister of Economy, Trade and Industry NISHIMURA Yasutoshi and State Minister for Foreign Affairs YAMADA Kenji attended the Meeting on September 14 and 15. At both meetings candid discussions were held on trade related responses to Russia’s aggression against Ukraine, WTO reform, and a level playing field.

On May 18 and 19, the G7 Development Ministers’ Meeting and the G7 Development and Health Ministers’ Meeting were held in Berlin, Germany, with State Minister for Foreign Affairs SUZUKI Takako and State Minister of Health, Labour and Welfare SATO Hidemichi attending. Discussions were held on a variety of development issues, including on how the G7 should support Ukraine in response to Russia’s aggression and on strengthening pandemic response measures in developing countries.

Since the beginning of 2023, Japan has been leading the G7’s efforts as the G7 Presidency. At the February 18, 2023 G7 Foreign Ministers’ Meeting held in Munich, Germany, which was the first face-to-face G7 meeting held under Japan’s G7 Presidency, discussions centered on the situation in Ukraine, and Foreign Minister Dmytro Kuleba of Ukraine participated in the latter half of the meeting. The G7 Foreign Ministers underlined their commitment to upholding the international order based on the rule of law, welcomed Ukraine’s commitment to a just and lasting peace, and concurred on their commitment to actively working with Ukraine to that end. On February 24, 2023, one year after the start of Russia’s aggression against Ukraine, Prime Minister Kishida hosted a G7 Leaders’ Video Conference and reaffirmed the G7’s unwavering unity in responding to Russia’s aggression against Ukraine.

(2) G20

The G20 is the premier forum for international economic cooperation participated in by both major developed countries and emerging countries.

At the G20 Bali Summit held on November 15 and 16, under the theme of “Recover Together, Recover Stronger,” which was advocated for by Indonesia, the G20 Presidency, discussions were held on issues that were currently important to the international community, such as food and energy security and international health. Prime Minister Kishida strongly condemned Russia’s aggression against Ukraine and stressed that Russia’s threat of use of nuclear weapons, let alone
any use of nuclear weapons, must not be tolerated. Furthermore, looking ahead to 2023 in which Japan holds the G7 Presidency, Prime Minister Kishida actively communicated Japan’s position and efforts on these important issues, and contributed to the discussions.

The G20 Bali Leaders’ Declaration was released as a summary of the discussions, stating that most members strongly condemned the war in Ukraine, and clearly including the message that “The use or threat of use of nuclear weapons is inadmissible.”

Foreign Minister Hayashi attended the G20 Foreign Ministers’ Meeting held on July 7 and 8, and, amidst Russia’s continuing aggression against Ukraine, discussions were held on important issues in the current international situation, such as the state of multilateralism and food and energy issues.

(3) Asia-Pacific Economic Cooperation (APEC)

APEC is a framework of economic cooperation in which 21 economies (countries and regions) in the Asia-Pacific region participate. The Asia-Pacific region is the “world’s growth center,” accounting for about 40% of the world’s population, about 50% of the world’s trade volume, and about 60% of the world’s total GDP. APEC, in order to liberalize and facilitate trade and investment in the region, conducts activities such as deepening regional economic integration, and enhancing economic and technical cooperation. The Asia-Pacific region, which thrives by liberalizing trade and investment and strengthening connectivity in accordance with international rules, is the core of a “Free and Open Indo-Pacific (FOIP)” that Japan has been promoting. Japan’s active involvement in and promotion of cooperation with APEC is of great significance to the effort to support our own economic growth and the overseas expansion of Japanese companies.

Thailand served as the Chair for APEC in 2022, and discussions were held at various meetings throughout the year under the overall theme of “Open, Connect, Balance (open to all opportunities, connected in all dimensions, and balanced in all aspects).” Among the topics discussed were cooperation for recovery after the spread of COVID-19 for inclusive and sustainable economic growth, as well as progress for the realization of an “open, dynamic, resilient and peaceful Asia-Pacific community” as set forth in the APEC Putrajaya Vision adopted at the 2020 APEC Economic Leaders’ Meeting.

At the APEC Economic Leaders’ Meeting on November 18 and 19, which was held face-to-face in Bangkok, Thailand for the first time in four years, in addition to the “2022 Leaders’ Declaration,” the “Bangkok Goals on Bio-Circular-Green (BCG) Economy” document, which describes efforts for sustainable growth in the APEC region after COVID-19, was also adopted. The “Bangkok Goals on Bio-Circular-Green (BCG) Economy” included targets to be addressed in the areas of responding to environmental issues, promoting sustainable and inclusive trade and investment, environmental conservation and resource management. In response to Russia’s aggression against Ukraine, the Leader’s Declaration incorporated language stating that “Most members strongly condemned the war in Ukraine and stressed it
is causing immense human suffering and exacerbating existing fragilities in the global economy – constraining growth, increasing inflation, disrupting supply chains, heightening energy and food insecurity, and elevating financial stability risks.”

Prime Minister Kishida, who attended the meeting, expressed his determination to put the Japanese economy on a new growth trajectory and to contribute to inclusive and sustainable growth of the Asia-Pacific region by aiming to realize a new form of capitalism. He then called for the realization of a green society, including zero emissions throughout Asia; the promotion of digital transformation; economic growth through an inclusive society, such as greater participation by women in economic activities; the promotion of free, fair, and open trade and investment based on rules; maintaining the high standards of the CPTPP that is incompatible with unfair trade practices and economic coercion; and the promotion of investment in “quality infrastructure” and transparent and fair development finance for sustainable development.

In 2023 the U.S. will serve as the Chair for APEC.

4 Communicating Japan’s Economic Strengths
(Including the Promotion of Japanese Agriculture, Forestry, Fishery and Food Exports)

(1) Promotion of Japanese Companies’ Overseas Business Expansion by the MOFA and Accompanying Diplomatic Missions Overseas

The number of Japanese companies operating overseas has been increasing over the medium- to long-term despite being affected by domestic and overseas economic conditions and other circumstances. One of the reasons behind this is that many Japanese companies, which underpin Japan’s economic development, have embarked more actively than ever before on overseas expansion with the aim of further cultivating foreign markets. There is considerable momentum behind economic growth abroad, mainly in Asia. To capture this for the Japanese economy, it is becoming increasingly important for the Government to support Japanese companies.

In light of the situation, MOFA, in coordination with diplomatic missions overseas, has been engaged in supporting Japanese companies in their efforts to expand their businesses overseas. At the diplomatic missions overseas, all staff, including those responsible for Japanese business support, provide Japanese companies with information while lobbying foreign governments under the leadership of ambassadors and consuls-general. Under the motto of being “open and responsive government offices,” these missions aim to provide specific support that corresponds with the conditions in that respective region. They also offer seminars about local legal systems, various information and legal consultations. In FY2022, these were provided at 20 diplomatic missions in 15 countries, with a focus on Asia and Africa.

In addition to consultations about business problems, another important function performed by diplomatic missions overseas for Japanese companies is promotion and publicity of the “Japan Brand” for products, technologies and services, as well as for agricultural, forestry and fishery products from Japanese companies at receptions to celebrate the Emperor’s birthday and various other events and exhibitions. These missions actively offer the embassies and official residences of the ambassadors for use as publicity and advertising spaces for Japanese companies to hold product exhibitions, or for local governments to hold local product exhibitions and food-tasting events. These spaces can be used for conducting seminars on business expansion, or for exchange with local companies and concerned organizations. In addition, diplomatic missions overseas conducted projects utilizing online methods in response to the worldwide COVID-19 pandemic.

(2) Promotion of the Japanese Infrastructure System in Overseas Business Expansion

In order to capture infrastructure demand mainly in emerging countries and promote the overseas deployment of infrastructure systems by Japanese
companies, the “Ministerial Meeting on Strategy relating to Infrastructure Export and Economic Cooperation,” comprising relevant cabinet ministers and the Chief Cabinet Secretary serving as chair, was established in 2013. A total of 54 meetings have been held as of December 2022. The Meeting had discussed annual revisions to and follow-ups for the Infrastructure System Export Strategy, which was formulated in 2013. In December 2020, the Meeting formulated the “Infrastructure System Overseas Promotion Strategy 2025” (hereinafter “the New Strategy”) based on recent changes in the relevant situations. The New Strategy aims to garner 34 trillion Japanese yen in infrastructure system orders in 2025 by promoting the achievement of three goals, namely (1) achieving economic growth, (2) contributing to achieving the Sustainable Development Goals (SDGs), and (3) realizing “Free and Open Indo-Pacific (FOIP),” clarifying this as a key strategy. Japan has finalized the “Policy toward steady implementation of the New Strategy looking at the post-COVID-19 era” and has formulated “thematic action plans” on five areas that include utility, mobility/transportation, digital, construction/urban development, and agriculture/healthcare/postal services, as well as established policy targets (key performance indicators, or KPI) for such things as trade promotion by high-ranking ministry officials to complement the Prime Minister’s trade promotion efforts. Furthermore, in June 2022 Japan formulated a supplementary version of the New Strategy and clarified key strategies based on changes in the environment. In addition, Japan is also promoting a variety of measures to achieve the New Strategy’s goals, such as setting specific measures that are in line with priority strategies.

With regard to diplomatic missions overseas, MOFA has been appointing “Officers in charge of Infrastructure Projects” to gather and consolidate information on infrastructure projects (approximately 200 personnel at 99 diplomatic missions overseas in 77 countries as of the end of March 2023). This initiative has also shown results.

(3) Promotion of the Export of Agricultural, Forestry and Fishery Products and Food (Import Restrictions on Japanese Food Products after the Great East Japan Earthquake)

Expanding exports of Japan’s agricultural, forestry, fishery and food products is a major objective of the Government of Japan. The Strategy to Realize Export Expansion of Agricultural, Forestry, Fishery and Food Products was formulated in December 2022 to further promote concerted efforts by the Government of Japan. The strategy calls for developing exporting regions and business operators in order to achieve two trillion yen by 2025 and five trillion yen by 2030 of agricultural, forestry, fishery, and food product exports. As part of efforts to accelerate initiatives to further expand exports, the strategy was revised at the end of 2021, the year in which exports exceeded one trillion yen, as well as in June 2022 and December 2022. MOFA enthusiastically promotes the attractiveness of Japanese agricultural, forestry, fishery and food products by collaborating with the relevant ministries and agencies, as well as Japanese companies and local governments, utilizing the networks of organizations such as diplomatic missions overseas as well as social media and other tools. In particular, Japanese business support officers (in charge of the food industry) have been assigned to 60 diplomatic missions overseas in 56 countries and regions to strengthen initiatives to promote the export of agricultural, forestry, and fishery products and food. Japan has made energetic efforts toward such promotion at numerous opportunities such as receptions and cultural events to which dignitaries have been invited from countries and regions around the world. Furthermore, since April in major exporting destinations and regions, Japan Food Export Platforms have been launched and are primarily staffed by personnel from diplomatic missions overseas, the Japan External Trade Organization (JETRO)’s overseas offices, and Japan Food Product Overseas Promotion Center (JFOODO) personnel who are stationed overseas, providing ongoing, comprehensive, and expert support to local export businesses.

One of the biggest barriers to increasing exports is import restrictions on Japanese agricultural, forestry and fishery products and food by countries and
regions following the Great East Japan Earthquake and TEPCO’s Fukushima Daiichi Nuclear Power Station accident. Completely eliminating these restrictions and addressing Japan’s reputational damage are top priorities for the Government of Japan, MOFA has been making efforts in collaboration with relevant ministries and agencies to have these restrictions lifted as quickly as possible. As a result of these efforts, in 2022, import restrictions were lifted in the UK (June) and Indonesia (July). So far, 43 countries and regions have removed their import restrictions.

For the 12 countries and regions that are still maintaining their import restrictions as of the end of 2022 (restrictions including suspension of imports: Republic of Korea, China, Taiwan, Hong Kong, and Macau; conditional import with certificates: French Polynesia, the EU, Iceland, Switzerland, Norway, Liechtenstein, and Russia), MOFA will closely work with the relevant ministries, agencies, local governments and international organizations and will continue taking every opportunity and making every effort to provide further explanations and appeal to these countries and regions, with the goal of having restrictions promptly removed and reputational damage repaired based on scientific evidence.

5 Promoting Resource Diplomacy along with Foreign Direct Investment in Japan

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

A The Current Situation Concerning Energy and Mineral Resources in Japan and Abroad

(A) Situation in the World

Structural changes in recent years have been seen in the international energy market with respect to three areas: (a) demand (consumption), (b) supply (production), and (c) resource selection. Regarding (a) demand, global demand for primary energy has shifted towards non-OECD member countries, primarily China and India. With respect to (b) supply, the U.S. became the world’s largest producer of both oil and natural gas due to the “Shale Revolution”5, and liberalization of export controls on crude oil in December 2015. The U.S. is promoting energy export policies such as further exports of the U.S. liquefied natural gas (LNG). As for (c) resource selection, based on the fact that production and usage on energy account for about two-thirds of greenhouse gas (GHG) emissions, the transitions to cleaner energy resources such as renewable energy are accelerating. In addition, since the Paris Agreement on climate change was adopted in December 2015, companies have made their efforts to further advance towards low-carbonization. In 2021, numerous countries have announced goals to achieve carbon neutrality in the second half of the century, an indication of increasing momentum for decarbonization worldwide. Looking at movements in oil markets, as the economy recovered from COVID-19, supply shortages became more pronounced and oil prices exceeded their pre-COVID-19 level, reaching a three-year high in October 2021. In 2022, energy prices rose further due to Russia’s aggression against Ukraine, and fluctuated at high levels through the first half of the year. Prices had a downward trend from July due to concerns about an economic slowdown caused by tightening interest rates in major countries and China’s zero-COVID policy, but the market price has remained unstable. The international community faces the challenge of how to break its dependence on Russian energy, stabilize energy markets, and achieve decarbonization.

(B) Sanctions against Russia

With regard to sanctions in the energy sector against Russia in response to its aggression against Ukraine, in May, the G7 Leaders’ Statement announced a policy

5 Shale Revolution: The development in the late 2000s of new technologies for drilling for oil and natural gas contained in layers of rock known as shale in the U.S., and the ability to do so at an economical cost, has led to a significant increase in U.S. oil and natural gas production, affecting many aspects of international affairs.
of embargo on Russian oil, and Japan also announced a policy of suspension of Russian oil imports in principle. In addition, amid worries about rising energy prices due to global oil supply concerns, with the aim of reducing Russia’s energy revenues while preventing a sharp rise in global energy prices by allowing a certain amount of Russian oil and other such products to be transported, in September at the G7 Finance Ministers and Central Bank Governors Meeting, the Ministers agreed to introduce a “price cap” measure that would prohibit services related to the marine transportation of crude oil and other such products above a certain price. The G7 (including the EU) and Australia are participating in this measure. Furthermore, from the perspective of Japan’s energy security, oil produced through the Sakhalin-2 project is exempted from the restrictions of this measure.

(C) Situation in Japan
Since the Great East Japan Earthquake, the percentage of fossil fuels out of power generation in Japan has reached about 90% in 2012, up 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 2011 earthquake to 6.3% in 2014. It remains at a low level compared to other OECD countries despite a recovery to 12.1% in 2019. Furthermore, nearly 90% 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. Under the circumstances, efforts to secure a stable supply of energy at reasonable prices are becoming increasingly important. At the same time, climate change response measures are also important. In October 2020, the Government of Japan announced its intention to achieve carbon neutrality by 2050, and in April 2021 pledged to achieve a 46% emissions reduction by FY2030 and announced its new reduction goal to continue making further efforts to realize a 50% reduction. Against this backdrop, the Sixth Strategic Energy Plan, approved by the Cabinet in October 2021, lays out specific measures to be taken by 2030 with a continued focus on the principle of “3E+S,” which emphasizes energy source safety (Safety), ensuring of a stable energy supply (Energy Security), the economic efficiency of energy costs (Economic Efficiency), and environmental suitability from the point of view of climate and other elements (Environment).

B 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 2022. MOFA also calls for “Strategy Meetings on Natural Resources” every year, which bring together officials working at diplomatic missions overseas in countries central to ensuring a stable supply of energy and mineral resources. In 2022, the meeting was held online on December 19 (see B (D) on page 311).

(B) Efforts for Energy Market Stabilization
Russia’s aggression against Ukraine that began in February 2022 caused energy prices to majorly rise, with oil prices exceeding 130 US dollars per barrel and European gas market prices rising above 70 US dollars per million BTU. This greatly destabilized the energy market.

Amidst this situation, in February and March, Japan diverted to Europe a portion of the LNG handled by Japanese companies in order to alleviate the tight supply and demand of natural gas in Europe. In addition, as a member of the International Energy Agency (IEA), Japan conducted two collective releases of oil reserves from March to April, releasing a total of 22.5 million barrels of petroleum reserves, the largest amount ever.
Amidst this situation surrounding energy, Japan is also encouraging resource producing countries to increase their production in order to stabilize the energy market. In March, Prime Minister Kishida held meetings with Crown Prince Sheikh Mohammed bin Zayed Al Nahyan, of Abu Dhabi, and Crown Prince Mohammed bin Salman bin Abdulaziz Al-Saud of Saudi Arabia. Foreign Minister Hayashi also held meetings with Foreign Minister Sheikh Abdullah bin Zayed Al Nahyan of the United Arab Emirates, and Minister of Industry and Advanced Technology Sultan Al Jaber of the United Arab Emirates. In April, Foreign Minister Hayashi held meetings with Foreign Minister Ahmad Nasser Al-Mohamed Al-Sabah of Kuwait, and Foreign Minister Sayyid Badr bin Hamad al Busaidi of Oman. In July, Foreign Minister Hayashi held a meeting with Foreign Minister Faisal bin Farhan Al-Saud of Saudi Arabia. In September, Prime Minister Kishida held meetings with Crown Prince Mohammed of Saudi Arabia, and President Mohammed bin Zayed Al Nahyan of the United Arab Emirates. In addition to urging oil-producing countries by taking the opportunity to have successive summit and ministerial-level meetings with them, Japan has also urged these countries at various levels through its diplomatic missions overseas as well as relevant ministries and agencies.

(C) Cooperation with International Organizations Related to Energy and Mineral Resources

Japan makes active use of international fora and rules to coordinate and collaborate internationally towards achieving a stable energy supply and enhancing the resilience of supply chains for critical mineral resources. Even in the midst of the energy crisis caused by Russia’s aggression against Ukraine, in order to make a realistic energy transition towards decarbonization while ensuring energy security, Japan is communicating to the international community the importance of ensuring the stability of energy supply as well as ensuring stability of critical mineral resources essential for both energy supply diversification as well as energy transitions.

In March, State Minister for Foreign Affairs ODAWARA Kiyoshi attended the 28th IEA Ministerial Meeting (Paris, France). He stated that Japan will support the activities of the IEA from the perspective of combining all energy sources and technologies, while taking into account the energy situations of various countries and regions, in order to promote global energy transitions. In addition, he also pointed out the current issue of there being an oligopoly of refining and separation processes for many critical mineral resources in certain countries, and announced that Japan decided to newly contribute approximately 1.8 million euros (about 220 million Japanese yen) to the IEA as support for enhancing resilience of the supply chain of critical mineral resources. Also in May, State Minister for Foreign Affairs Odawara attended online the 23rd Session of the Assembly of the International Renewable Energy Agency (IRENA). He stated that the crisis in Ukraine has made him recognize anew the importance of balancing energy security and energy transition. He also stated that there is no single path to an energy system based mainly on renewable energy, and thus it is necessary to have discussions in accordance with the situations of various countries. He also welcomed the progress of efforts related to critical mineral resources essential for the spread of renewable energy as well as for international trade for building hydrogen supply chains.

In June, State Minister for Foreign Affairs Suzuki attended the Ministerial Meeting of the Minerals Security Partnership (MSP) (Toronto, Canada). She expressed Japan’s support for the launch of the MSP, which aims to strategically promote public-private cooperation, including the promotion of investment, in order to achieve high environmental, social, and governance (ESG) standards in a series of supply chains, such as mine development, refining, processing, recycling, and reuse. She also introduced Japan’s efforts to diversify the supply of mineral resources and stated that Japan would like to actively contribute to discussions and activities in this framework to resolve the current issues surrounding mineral resources.

In September, Parliamentary Vice-Minister for Foreign Affairs Takagi attended the G20 Energy Transitions Ministers Meeting held under the Presidency of Indonesia. Parliamentary Vice-Minister for Foreign Affairs Takagi pointed out that soaring energy prices are putting pressure on the lives of vulnerable people in both developed and developing countries, and that ensuring energy access is an urgent issue. He stated that access to affordable energy is a
basic human need. He emphasized that as the importance of energy security has been reaffirmed by the recent energy crisis, energy security is not a national-level issue, but rather a human-level issue, and that energy should be provided to each and every person. Thus, ensuring energy security is the foundation for accelerating energy transitions. Japan is closely cooperating with international organizations on a daily basis at the working level to ensure a stable energy supply and to enhance the resilience of supply chain of critical mineral resources.

(D) Strategy Meeting on Diplomatic Missions Overseas Concerning Energy and Mineral Resources
Every year since FY2009, MOFA has held meetings attended by embassies and consulates-general established in major resource-producing countries, relevant ministries, agencies and organizations, experts, and representatives from companies. These meetings have provided opportunities to discuss diplomatic initiatives for ensuring a stable supply of energy and mineral resources in Japan, formulate policy, and strengthen cooperation. The 2022 Strategy Meeting was attended by energy and mineral resource specialists from over 30 diplomatic missions and officials from the Agency for Natural Resources and Energy, among others. In the first part of the meeting, the participants discussed future issues and countermeasures for those issues based on reports on energy situations from diplomatic missions overseas amidst the energy crisis caused by Russia’s aggression against Ukraine. In the second part of the meeting, officials from the Bureau of Energy Resources of the U.S. Department of State explained the significance of the MSP, which was established at the initiative of the U.S. to ensure a stable supply of mineral resources necessary for transitioning to clean energy. Discussions were then held on efforts towards strengthening the supply chain for critical minerals.

(E) Agreement in Principle on the Negotiations Concerning the Modernization of the Energy Charter Treaty
The Energy Charter Treaty (ECT) is a multilateral treaty that entered into force in April 1998 (entered into force with Japan in 2002). It 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. Discussions for revision of the ECT began in 2020, and an agreement in principle was reached among the parties to the negotiations in June 2022. In addition, Japan has contributed to the development of the ECT as the largest contributor of assessed donations. 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. Furthermore, in September 2021, HIROSE Atsuko became the first Japanese national to become the Deputy Secretary General of the Energy Charter Secretariat, the administrative body for the ECT.

(F) Efforts in the Public Relations Field Related to Energy and Mineral Resources
In April, with support provided by the Japan Business Federation (Keidanren), MOFA held a webinar entitled “Geopolitics and Energy: Role of Natural Gas in Energy Transition” as part of the Seminar on Energy Security in Asia. In addition to State Minister for Foreign Affairs Odawara, Chairman MIYAJI Shinji of the Policy Sub-Committee, Committee on Asia and Oceania, Keidanren also attended the seminar as a representative of Keidanren. Minister of Energy and Mineral Resources Arfin Tasrif of Indonesia and IEA Chief Energy Economist Tim Gould gave keynote speeches, and the panelists included officials from international organizations involved in energy and international relations, experts, and others. Approximately 1,200 people

\[6\] The ECT prescribes the liberalization of the trade and transit of energy source materials and commodities, the protection 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.
registered and attended the seminar online from Japan and abroad. The seminar opened with State Minister for Foreign Affairs Odawara noting that Russia’s aggression against Ukraine made the world recognize anew the importance of balancing energy transitions and energy security. He also pointed out the need to implement realistic, smooth energy transitions in order to realize a decarbonized society. He also noted that natural gas will play an extremely important role in the transitional period of decarbonization, from the perspective of providing adjustment capabilities to supplement solar and wind power generation, whose power output is easily affected by weather conditions. During the seminar, there were lively discussions on the geopolitical risks of energy, the importance of discussions that bear in mind the timeline for decarbonization, and how energy transitions should be promoted in daily life. The participants shared the recognition that during the present time when energy security risks are becoming more apparent, we also have an opportunity to promote significant efforts regarding energy transition.

In addition, from November 7 to 8, MOFA conducted the study tour “Energy in Crisis” for eight diplomats from eight embassies stationed in Japan to visit energy-related facilities in Fukushima Prefecture. Specifically, they visited the Nakoso IGCC Power Station of Nakoso IGCC Power GK, Fukushima Daiichi Nuclear Power Plant, Fukushima Hydrogen Energy Research Field, Soma IHI Green Energy Center, and Fukushima Renewable Energy Institute, and had an exchange meeting with local officials. The participating diplomatic corps commented that it was very interesting to learn comprehensively about the energy situation in Japan and the future potential of renewable energy.

(2) Ensuring Food Security
The global food security situation has seen the emergence of problems affecting the food system in the form of supply chain disruptions and stoppages caused by compounding risks from COVID-19, rising energy prices, climate change, conflicts, and other such issues. Now Russia’s aggression against Ukraine has led to a sharp deterioration of the food security situation on a global scale, particularly in Africa and the Middle East. Furthermore, there are challenges for the future, such as land use for food production, agricultural production adapted to climate change, and the use of appropriate fertilizers according to the situation. The number of people facing acute food insecurity has reached 349 million, the largest number ever.

According to the State of Food Security and Nutrition in the World (SOFI) 2022, as economic downturns and supply chain disruptions reduce food access, although the number of undernourished people in 2021 slowed compared to 2020 when there was a surge due to COVID-19, this is expected to continue its increasing trend, reaching up to 828 million people. The report also noted that in 2022 as well, Russia’s aggression against Ukraine caused new challenges for the SDGs (specifically Goal 2: Zero Hunger), and negatively impacted food security and nutrition in countries facing hunger and food crises. Furthermore, as Russia and Ukraine have been some of the world’s largest exporters of grains and other products, Russia’s aggression against Ukraine has had an even more serious impact on the stable supply of grains to countries that heavily rely on grains from Russia and Ukraine, particularly developing nations in Africa, the Middle East, and Asia. Fears of grain supply shortages around the world have fueled trading price increases that have led to increased food prices. Russia’s aggression against Ukraine has therefore exposed the vulnerabilities to food security posed by global supply chain disruptions.

A Cooperation in International Frameworks Concerning Food Security
In 2022, various discussions were held to address this global food crisis. In particular, concerns about the global food insecurity following Russia’s aggression against Ukraine led international frameworks such as the G7 and G20 as well as various international organizations to express their concerns about the situation. In addition, a framework for international cooperation was created on the initiative of the United Nations (UN), the U.S., Germany, France, and others. Various

\[\text{The State of Food Security and Nutrition in the World (SOFI): An annual report on global food insecurity and nutrition jointly published by the Food and Agriculture Organization of the UN (FAO), the UN International Children’s Emergency Fund (UNICEF), the World Food Programme (WFP), the International Fund for Agricultural Development (IFAD), and the World Health Organization (WHO)}\]
initiatives were also implemented, including the “Black Sea Grain Initiative” for grain exports from Ukraine through the Black Sea at the initiative of the UN in order to realize grain exports from Ukraine, and the EU-led “Solidarity Lanes” that use railroads and trucks traveling over land routes to transport grain exports from Ukraine as well as daily necessities into Ukraine.

**B Main Initiatives in Which Japan Participates**

In May, at the initiative of the U.S., the Global Food Security Call to Action Ministerial Meeting was held at the UN Headquarters in New York, with State Minister for Foreign Affairs Odawara in attendance. During the meeting, Japan committed to even closer cooperation with the countries participating in the meeting, with State Minister for Foreign Affairs Odawara stating that three urgent priorities to address the food security crisis are important for building a sustainable food system: restoring the international flow of Ukrainian food, improving agricultural productivity and promoting efficient use of fertilizers, and avoiding unjustified export restrictions and excessive stockpiling.

In June, the “Ministerial Conference for Uniting for Global Food Security” was held in Berlin at the initiative of Germany, and Foreign Minister Hayashi participated online. Many of the attending Ministers expressed concern that Russia’s aggression against Ukraine is worsening global food security, and confirmed that continued close cooperation among all parties concerned is indispensable to address the current food security crisis.

In addition, the G7 Elmau Summit was held. Under the overall theme of “Progress towards an equitable world” set forth by the chair, German Chancellor Olaf Scholz, the G7 leaders held candid discussions and confirmed that the G7 would unite to uphold the international order in response to Russia’s aggression against Ukraine. The G7 Statement on Global Food Security was issued as an outcome document of the Summit, and confirmed the G7’s unity with its statement, “We, the Leaders of the G7, will spare no effort to increase global food and nutrition security and to protect the most vulnerable, whom the food crisis threatens to hit the hardest.”

In September, the World Summit on Food Security was held in New York at the initiative of the U.S., the EU, and others, and Foreign Minister Hayashi attended it. During the Summit, there was discussion on the impact and challenges to global food security, including rising food prices and partial supply disruptions due to Russia’s aggression against Ukraine, as well as consideration of guidelines for the international community’s efforts to resolve the current food crisis. The meeting also provided an opportunity for Japan to reaffirm its commitment to collaborating with the international community to address the urgent issue of global food insecurity.

**C Strengthen Collaboration with International Organizations on Food Security**

As a responsible member of the international community, Japan supports the activities of the Food and Agriculture Organization of the UN (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 aimed at raising awareness for the FAO domestically.

In addition, in 2022, Japan provided support through the FAO for the distribution of wheat and corn seeds to Ukrainian farmers and the expansion of temporary storage capacity to store harvested grain, as there were concerns about the state of agricultural production in Ukraine, a major grain producing country in the world, following Russia’s aggression against the country. Japan also provided support for capacity building at the Izmail quarantine station on the Romanian border to help promote exports over land routes. Moreover, close dialogue is being continued through annual strategic consultations and the like in order to strengthen relations between Japan and the FAO.
Efforts in the Public Relations Field Related to Food Security

In March, MOFA held the online food security symposium “Ensuring the global and Japanese food security in the wake of Russia’s aggression against Ukraine.” More than 500 people from Japan and abroad attended this seminar. In addition to State Minister for Foreign Affairs Odawara, the seminar was attended by Professor OKABE Yoshihiko, Faculty of Economics, Kobe Gakuin University; HIRASAWA Akihiko, General Manager and Senior Chief Economist, Norinchukin Research Institute Co., Ltd., and EZAKI Michio, Visiting Professor, Takushoku University Graduate School. In addition, experts and people related to agribusiness also served as speakers. In his opening remarks at the beginning, State Minister for Foreign Affairs Odawara pointed out the situation in which Russia’s aggression against Ukraine has had various negative impacts on the international community, including food security in the world and Japan. He also pointed out the importance of preparedness in peacetime, such as maintaining and strengthening the free and fair trade system and international cooperation, as well as the importance of responding to contingencies, such as maintaining national reserves and diversifying supply sources. There was then a panel discussion by the speakers, in which there was a lively discussion with people asking questions on the policies that Japan should take from the perspectives of food security, agricultural measures, geopolitics, and economic security, which are becoming increasingly complex due to the recent global situation.

Fisheries (Tuna, Whaling, etc.)

Japan is one of the major fishing countries and consumers of fishery products in the world. Japan actively contributes through international organizations to the appropriate conservation management and sustainable use of marine living resources.

Japan advocates the view that cetaceans are a part of marine living resources that should be utilized in a sustainable manner based on scientific evidence. Based on the fact that the International Whaling Commission (IWC) has the two roles of “conservation of whale stocks” and “orderly development of the whaling industry,” Japan has been promoting dialogue in good faith based on scientific data collected for more than 30 years. However, it became clear that it would be extremely difficult to coexist with countries that deny sustainable use of whales and insist only on their protection, so Japan withdrew from the IWC in 2019 and resumed commercial whaling.

Japan restricts commercial whaling to its territorial waters and Exclusive Economic Zone (EEZ) with catch limits calculated in line with the method adopted by the IWC, which is based on scientific evidence, and in a manner that will not adversely affect the stock even if the whaling continues for 100 years.

Japan’s policy of actively contributing to the international management of marine living resources has not changed after its withdrawal from the IWC. Japan has been actively involved and cooperated with international organizations such as the IWC and the North Atlantic Marine Mammal Commission (NAMMCO), including participation as an observer at the Meeting of the IWC, which was held in October for the first time in four years. Japan has also developed non-lethal scientific research on whale stocks, some of which is conducted jointly with the IWC. The results are provided to the IWC and other international organizations as important data that can serve as a basis for realizing sustainable utilization and appropriate management of whale stocks.

Illegal, unreported, and unregulated (IUU) fishing is one of the threats to the sustainable fishing industry. The Leaders’ Declaration from the 2019 G20 Osaka Summit, for which Japan served as the G20 Presidency, states that “we recognize the importance of addressing IUU fishing.” This was one of the catalysts for the recent statements in outcome documents of multilateral conferences, such as the G7, G20, and APEC, mentioning affirmation of commitment to end IUU fishing. Furthermore, Japan has been encouraging non-contracting parties to sign the Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (PSMA), which stipulates rules for port states to take measures against IUU fishing vessels, including denial of port entry. Japan is also providing capacity building assistance to developing countries for the purpose of countering IUU fishing.
In the Central Arctic Ocean, there are concerns about the possibility of unregulated fishing in the future due to partial melting of ice caused by global warming. Against the backdrop of these concerns, 10 states and organizations, including Japan and five Arctic Ocean coastal states, signed the Agreement to Prevent Unregulated High Seas Fisheries in the Central Arctic Ocean in October 2018, and it entered into force in June 2021. The first meeting of the contracting parties was held in the ROK in November 2022, 10 countries and regions, including Japan, participated in the meeting, during which discussions were held on scientific research and the formulation of a monitoring plan in the Central Arctic Ocean.

As one of the largest tuna consumer countries, Japan has joined Regional Fisheries Management Organizations (RFMOs) for tuna, and leads discussions on strengthening conservation and management measures (CMMs) at annual meetings and other occasions. In recent years, results are being seen from active efforts through international resources management. For Pacific bluefin tuna, a 15% increase in the catch limit for large fish was adopted at the annual meeting of the Western and Central Pacific Fisheries Commission (WCPFC) in 2021, and operations were conducted in 2022 based on this measure. At the same meeting in 2022, a management method was also adopted for skip-jack which sets in advance the level at which resources should be maintained over the medium to long term and the way fishing should be conducted in accordance with the status of the resources. For Atlantic bluefin tuna, in light of the recovery of resource levels in recent years, the total allowable catch (TAC) in the eastern Atlantic Ocean was increased by 12.7% over the previous year at the annual meeting of the International Commission for the Conservation of Atlantic Tunas (ICCAT) held in November. The TAC for the western Atlantic Ocean remained at the level of the previous year. As for southern bluefin tuna, the meeting of the Commission for the Conservation of Southern Bluefin Tuna (CCSBT) held in October confirmed that the TAC for 2023 will be the same level as the previous year.

With respect to Pacific saury, the recent deterioration of stocks and the resulting poor catches have become a problem. The annual meeting of the North Pacific Fisheries Commission (NPFC) in 2022 was postponed in light of the current international situation. It is important to further enhance resource management at the annual meeting scheduled to be held in 2023.

As for Japanese eel, the first scientific meeting on eel was held in April under the leadership of Japan. Scientific knowledge on the management of eel stocks was shared during the meeting. In addition, at the 15th informal consultation on international cooperation led by Japan from May to July, Japan, the ROK, China, and Taiwan discussed and confirmed the establishment of limits on glass eel stocking in aquaculture ponds and the promotion of cooperation in joint research on Japanese eels. This was the first time in eight years that China participated in the informal consultation.

(4) Foreign Direct Investment in Japan

With regard to 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, 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 utilized the Investment Advisor Assignment System since April 2016 to meet with the relevant State Ministers in charge. In addition, Japan achieved the initial target value of “doubling (compared to 2012) the inward foreign direct investment stocks to 35 trillion Japanese yen in 2020,” as laid out in the Japan Revitalization Strategy approved by the Cabinet in June 2013. At the ninth meeting of the Council for Promotion of Foreign...
Direct Investment in Japan, held in June 2021, a new Strategy for Promoting Foreign Direct Investment in Japan was adopted as a medium- to long-term strategy to promote foreign direct investment in Japan, and a decision was made to aim to double (compared to 2020) the inward foreign direct investment stocks to 80 trillion yen by 2030 and reach 12% of GDP as the key performance indicator (KPI).

MOFA implements various measures adopted by the Council for Promotion of Foreign Direct Investment in Japan. It utilizes diplomatic resources to engage in initiatives through diplomatic missions overseas and trade promotion by key government officials, and also strategically implements various initiatives towards promoting foreign direct investment in Japan. The “Contact Points for Direct Investment toward Japan,” established at 126 diplomatic missions overseas in April 2016, have been collaborating with 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. More than 650 cases of these activities were conducted in FY2021.

Furthermore, in Japan, MOFA held a Global Business Seminar in March, with the theme of promoting foreign direct investment in Japan, focusing on offshore wind power, which is considered a pillar of renewable energy, and on the hydrogen business, which is referred to as the trump card for decarbonization. In addition to a keynote speech by the Director-General of IRENA, lively discussions were held with the participation of approximately 250 participants from domestic and foreign companies, embassies in Tokyo, business groups and chambers of commerce in Japan, as well as government and local government officials.

(5) The Road to 2025 World Expo Osaka (Expo 2025 Osaka, Kansai, Japan)
Following the approval of a registration dossier for Expo 2025 Osaka, Kansai, Japan at the General Assembly of the Bureau International des Expositions (BIE) held in December 2020, Japan began activities to officially invite other countries and international organizations to participate in the Expo 2025 Osaka, Kansai, Japan. MOFA is currently engaged in invitation activities to drive significant participation by other countries and organizations.

In February, Japan signed an agreement with the BIE to grant privileges and immunities to participating countries and international organizations in order to improve the environment for holding the Expo 2025 Osaka, Kansai, Japan and its preparations. The agreement entered into force in August.

In addition, in October, the Japan Association for the 2025 World Exposition held its “International Planning Meeting,” inviting countries and international organizations that had been invited to participate to Osaka City to provide various information. The Expo, which is expected to attract a large number of visitors from Japan and abroad, aims to convey the appeals of Japan to the world and accelerate efforts to achieve the SDGs, which are all to be achieved by 2030, under the theme of “Designing Future Society for Our Lives.” Japan will continue making a concerted national effort aimed at ensuring that the Expo inspires and surprises people around the world, while also energizing Japan as a whole.
The Indian Ocean Fishing Industry as seen from Mauritius

KAWAGUCHI Shuichiro, Ambassador Extraordinary and Plenipotentiary of Japan to Mauritius

Sometimes called the “Pearl of the Indian Ocean,” Mauritius is an island nation surrounded by beautiful coral reefs with a population of approximately 1.26 million. In August 2020, an oil spill from the bulk carrier “Wakashio” occurred due to its running aground. Through extensive and earnest Japanese public-private sector support, the oil removal and cleanup operation was completed in January 2021, with the ocean restored to a pristine state unrecognizable from before the accident occurred.

The year 2023 is highly important for the fishing industry in Mauritius, as the annual conferences of two international institutions governing fishing in the Indian Ocean are taking place there: the Indian Ocean Tuna Commission (IOTC) and the Southern Indian Ocean Fisheries Agreement (SIOFA). I would like to take this opportunity to briefly talk about the state of the fishing industry in Mauritius.

The waters surrounding Mauritius in the emerald-green seas have rich fishing resources including tuna, with many foreign vessels coming to catch Yellowfin, Albacore, and other species of tuna. The harbor of Port Louis located in the capital bustles with over 100 round-haul netters from countries such as Spain and France visiting each day for supplies, refueling, and to land their tuna catch. The Yellowfin that these European ships bring in weigh as much as 40kg each, which is then processed into canned or frozen fish products for export, principally to Europe, forming an important source of income for Mauritius.

The fishing industry in Mauritius has a strong connection with Japan, to the extent that there appears to have been enough Japanese fishing industry personnel residing there 30 years ago to create a Japan Town. The majority of the fish exported to Japan are species of tuna, but also include other species such as Alfansino. On the other hand, Mauritius has not got the culture of eating fresh raw tuna as sashimi like in Japan, with the tuna caught around the atolls by local fishermen typically fried deeply and cooked in curry. As such, the cold chain (refrigerated logistics) infrastructure in Mauritius is not sufficiently established, and that poses an issue in terms of developing high-value markets. At the same time, this means there is likely enormous latent potential for future market expansion.

Combating illegal, unreported, and unregulated (IUU) fishing, a threat to sustainable fishing, is a major issue for Mauritius. In order for tuna to be merchandized in a sustainable manner on the international market, the improvement of capabilities to crack down on IUU vessels within the Exclusive Economic Zone (EEZ) as well as the development of its legal system for enforcement against crew engaged in IUU fishing, are urgently required.

Inscribed as UNESCO Intangible Cultural Heritage, washoku (traditional Japanese cuisine) is also very popular in Mauritius. Fresh fish dishes are essential elements of washoku. When welcoming guests at the ambassador’s official residence, we also put great effort into serving delicious fish dishes. The fish dishes we serve, such as sashimi made with fish purchased from local fishermen and the open-sea Alfansino simmered in soy sauce and sugar (nitsuke), are now said to surpass the ones at a five-star hotel, becoming a hot topic in political and business circles. Fish dishes are now an indispensable tool in diplomacy.