A Message in the 50th Year of ASEAN-Japan Friendship and Cooperation

Contribute to the world by co-creating and expanding

the rule-based free and open market

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In the half century since dialog between Japan and ASEAN commenced in 1973,

exchanges have deepened at various levels to build a multi-layered relationship of

friendship and cooperation. The foundation of the strong relationship is built on the three

principles for Japan's diplomatic relations with ASEAN, the so-called Fukuda Doctrine.

The doctrine calls for contributions to international peace and prosperity, building

relationships of trust based on a "heart-to-heart" understanding, and collaborating and

cooperating as an equal partner. These principles are still firm signposts for Japan's

diplomatic relations with ASEAN. Japanese companies are developing a range of

business activities rooted in local communities in ASEAN countries (see separate some

examples) while also putting Official Development Assistance (ODA) to use. We are

walking the path of development together with ASEAN as inseparable partners bound

by strong ties.

Today, the world is facing a number of challenges on a global scale, including

delivering carbon neutrality. Even though these challenges must be addressed through

cooperation between nations and regions, the world is becoming increasingly

fragmented with a strong tendency to prioritize one's own country. The free and open

international order based on the rule of law has also been challenged. At such a time, the

question is how Japan can contribute to international sustainable development.

In the 50th year of ASEAN-Japan friendship and cooperation, Japan must deepen and

develop the relationship with ASEAN based on the trust that has been built over many

years. Through public-private dialogue between Japan and ASEAN, we will work

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closely together to implement growth strategies and related measures in each country and region, thereby delivering a sustainable society based on co-creation. Specifically, as described below, Japan and ASEAN will create new value and advance mutual development by further enhancing connectivity. Together, we will also contribute to international peace and prosperity by resolving global issues. We will power the economies in Asia and around the world by co-creating and expanding a rule-based, free and open market.

### 1. Facilitate human resource exchange

Over the years, Japan and ASEAN have cultivated a relationship of trust that is the cornerstone of cooperation and co-creation. We aim to further enhance dialogue and exchange programs at different levels and in different sectors, including business, government and related institutions, local governments, and educational institutions.

Providing outstanding ASEAN human resources with opportunities to work in Japanese companies is essential for the development of these companies in the future. Promoting the development and exchange of business leaders in Japan and ASEAN will contribute significantly to mutual development. On this basis, efforts continue to facilitate recruitment, professional and vocational education, career development, etc. to allow human resources to be active across national borders.

As for institutional aspects, we will urge governments to develop an environment for human resource exchanges, including concluding social security agreements, and to mutually recognize the qualifications of highly skilled professionals in the future.

To facilitate mutual understanding and to increase the pool of Japanophiles who are knowledgeable about our country in the future, we will encourage travel back and forth as well as more coordination and cooperation in the tourism sector by easing visa requirements for visitors to Japan or by other such means.

# 2. Further promote the free movement of goods and services

ASEAN has stimulated market integration in the region by eliminating tariffs. Japanese companies have built production networks, established operational bases, and contributed to development in the region.

As well as encouraging the steady implementation of the existing FTAs and EPAs, including the ASEAN+1 FTA, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and the Regional Comprehensive Economic Partnership (RCEP) Agreement, we aim to achieve an even higher level of liberalization and discipline with regard to both tariff concessions and rule-making with a view to the future Free Trade Area of the Asia-Pacific (FTAAP). We will also promote digitalization of trade procedures, such as linking trade information on the sharing platform using blockchain technology. In addition, we will strengthen public-private collaboration aimed at securing stable supplies of energy, critical minerals, foodstuffs, and other goods that are essential for people's lives and socio-economic activities.

## 3. Promote digital transformation (DX)

The ASEAN countries are in some way outpacing Japan in the DX sector, including the social implementation of digital technologies where numerous start-ups are promoting e-commerce, ride-sharing, and electronic payments. Aiming for ASEAN-Japan collaboration and value co-creation concerning the use of digital technologies, we will promote efficiency and resilience in the business hub network, build new business models, and realize economic development across the region. Ensuring cybersecurity and Data Free Flow with Trust (DFFT) provides the foundation for these developments. Digital technologies are also used to improve connectivity in the financial sector.

#### (1) Ensure reliable and free data flow

Data Free Flow with Trust is essential for co-creating and expanding a free and open market. We will seek to ensure interoperability of privacy protection and other regulations in each country.

### (2) Strengthen cybersecurity

Effective cybersecurity measures that encompass the entire supply chain are increasingly important amid the rise in cyber risks associated with progress in DX.

Japan and ASEAN will further strengthen the relationship of trust through security education and other human resource training and exchanges, and promote the creation of a safe and secure foundation for value creation.

### (3) Strengthen connectivity in the financial sector using digital technologies

Efforts will be made to achieve a society where everyone is able to access financial services through digital banking and other means in each country. The AEC Blueprint 2025, which presents the direction of economic integration in ASEAN, outlines the unification of national QR standards and cross-border settlement and remittance systems in the ASEAN countries. Enhanced connectivity in the financial sector will be promoted with a view to expanding these operations into areas outside ASEAN, including Japan, and collaborating with them.

## 4. Nurture new industries and contribute to solving global issues

#### (1) Promote green transformation (GX)

Measures to counter climate change must be addressed by the whole world. To achieve carbon neutrality on a global scale, it is important to make steady progress on the understanding that pathways will differ depending on the actual circumstances in each country and region. We aim to encourage use of the Joint Crediting Mechanism (JCM) by expanding partner countries and regions, and by improving support systems to achieve the targets.

Together ASEAN and Japan will promote the concept of the Asia Zero Emission Community (AZEC), which aims for both carbon neutrality and energy security, while delivering economic growth through policy coordination and the proliferation of technologies, products, services, and systems that contribute to carbon neutrality, including hydrogen, ammonia, CCS/CCUS, and highly efficient power grids. At the

same time, we will actively push for financing, including during transition periods, while stimulating the green industry and contributing to GX across the whole Asian region.

As the economy grows and populations increase, the decline in exhaustible resources and the increase in waste represent another set of global challenges. The circular economy will be promoted through ASEAN-Japan collaboration in waste management (reduce, reuse, recycle), and the production and procurement of sustainable raw materials.

(2) Improve socioeconomic resilience (prevent/reduce disasters, achieve well-being)

Japan and ASEAN are highly vulnerable to the impact of intensifying natural disasters due to climate change and other factors. To achieve a secure and prosperous society, we will work to improve socioeconomic resilience by sharing experiences of disasters and providing countermeasures.

Building a society that achieves a sense of wellbeing where everyone can be at their best and where no one is left behind is another important issue for the stability and sustainable growth of the economic societies in Japan and ASEAN. We will use the geographical proximity and shared cultural traits of Japan and ASEAN, and apply digital technologies to a wide range of sectors, including healthcare, nursing care, sports, and foods, which will lead to enhanced individual and social well-being in ASEAN.