



# JAPAN – ASEAN RELATIONS

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# Japan-ASEAN : Strategic Partners

## Strategic Importance of ASEAN to Japan

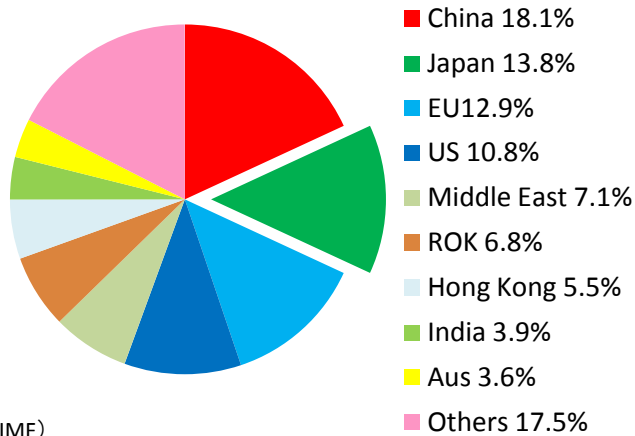
- Vibrant economy with 600 million of people.
  - ➔ GDP of ASEAN has tripled in the last decade.
- Indispensable Sea lane for Japan
- ASEAN is at the heart of east Asia cooperations.
  - ➔ Peace and prosperity of East Asia, including Japan, depends on that of ASEAN.

## ASEAN, Key Area for Japan's Growth Strategy, with Deeply Interconnected Economy & Human Flows

- ASEAN is second largest trading partner for Japan after China (2011: China 20.6%, ASEAN 14.8%).
- ASEAN is Japan's biggest investment destination in east Asia (1.5 trillion yen, 2011).
- ASEAN is a production base for Japanese companies (6,800 companies, 120,000 Japanese in the region, 2010).
- Trade/Investment liberalization is underway through EPAs.
  - ➔ EPA with ASEAN (AJCEP), EPAs with 7 individual member countries.
- ASEAN is one of the favorite tourists destination for Japanese. Japanese pop-culture is widely accepted in ASEAN.

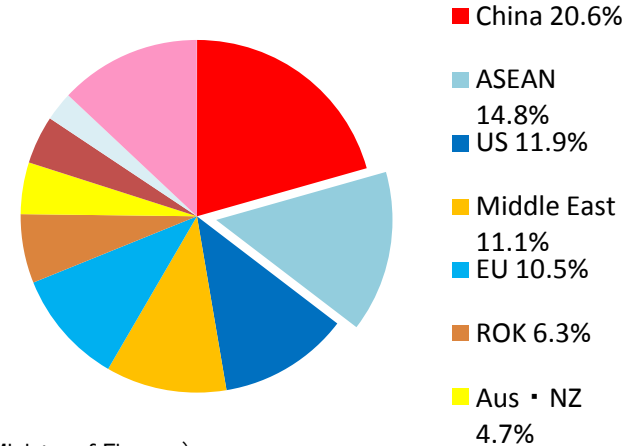
# Japan-ASEAN Relations : Close Economic Ties

## ASEAN's Trading Partners



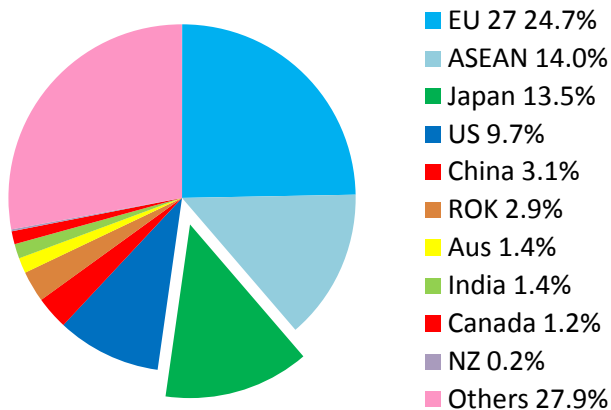
(2011: IMF)

## Japan's Trading Partners



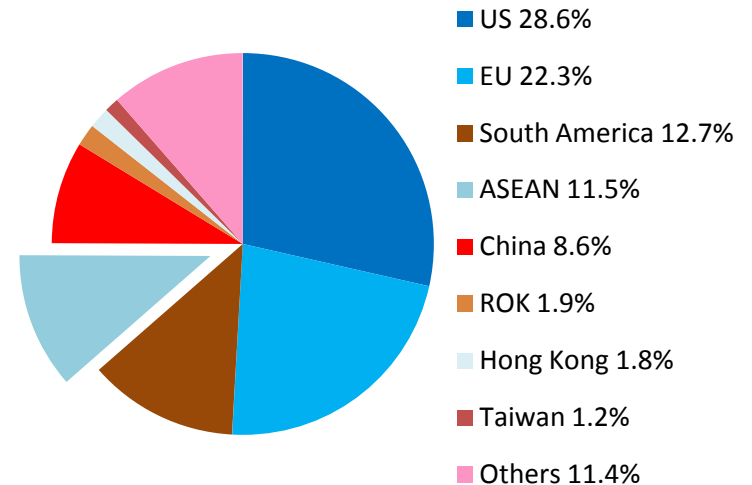
(2011: Ministry of Finance)

## Countries Investing to ASEAN



(2001-2010: ASEAN Secretariat)

## Countries Japan is Investing to



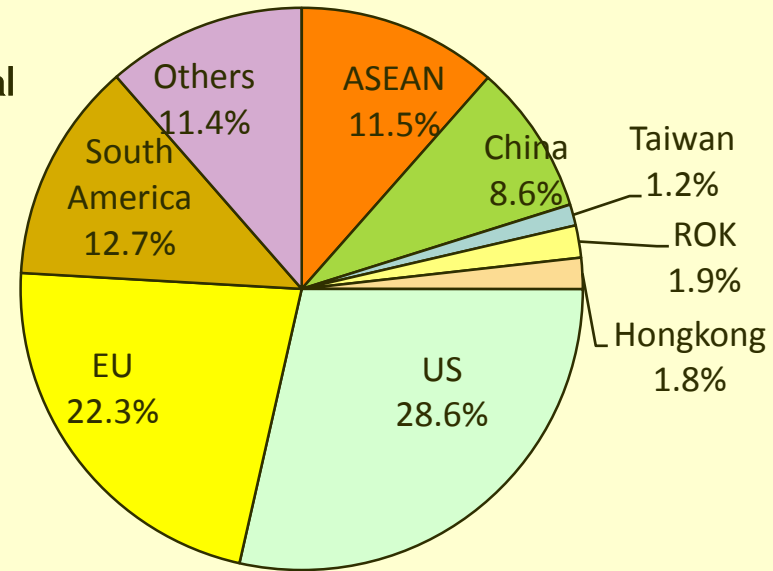
(End of 2011: Bank of Japan)

# ASEAN is one of the major investment destinations for Japan

(next to the United States, EU and South America)

## Japan's Foreign Direct Investment: Regional Breakdown (end of 2011 : JPY 74,828 billion)

➔ Japan Foreign Direct Investment to ASEAN is next to the United States, EU and South America.



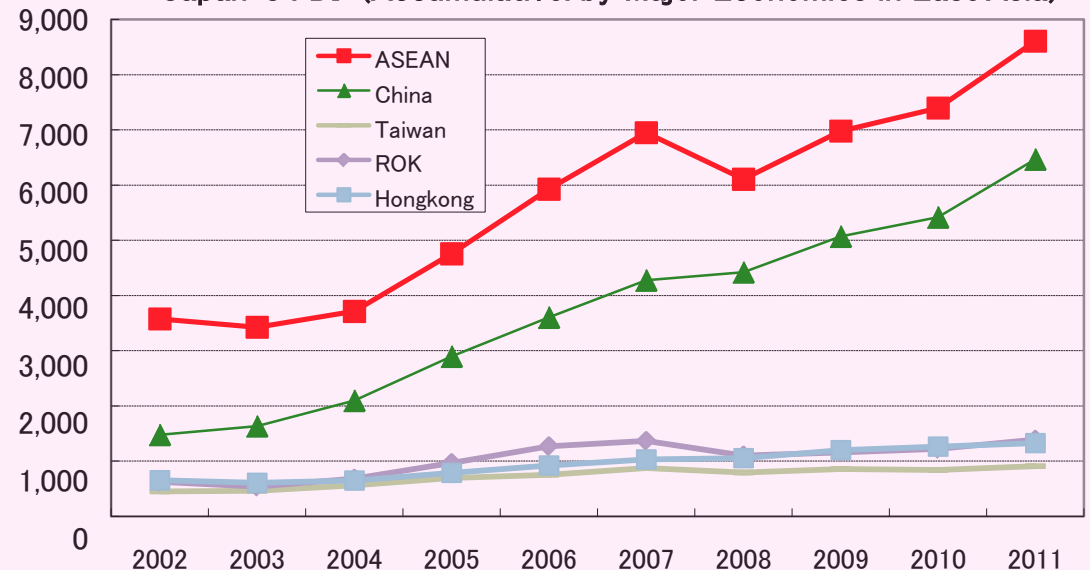
Source: the Bank of Japan, Direct Investment Data)

➔ Japan's Foreign Direct Investment to ASEAN has increased over the years.

Source: the Bank of Japan, Direct Investment Data)

(JPY bn)

## Japan's FDI (Accumulative: by Major Economies in East Asia)



(Year End)

# ASEAN is an important base of production & sales for Japan

## Number of Production Base & Subsidiary of Japanese Companies Overseas

Figure 1. Foreign Subsidiaries of Japanese companies

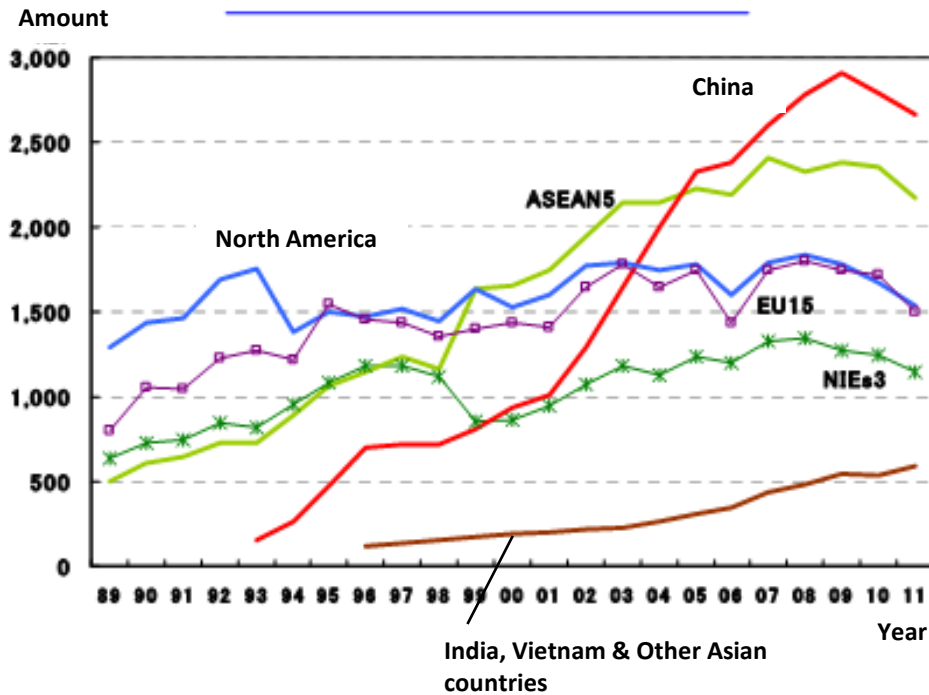
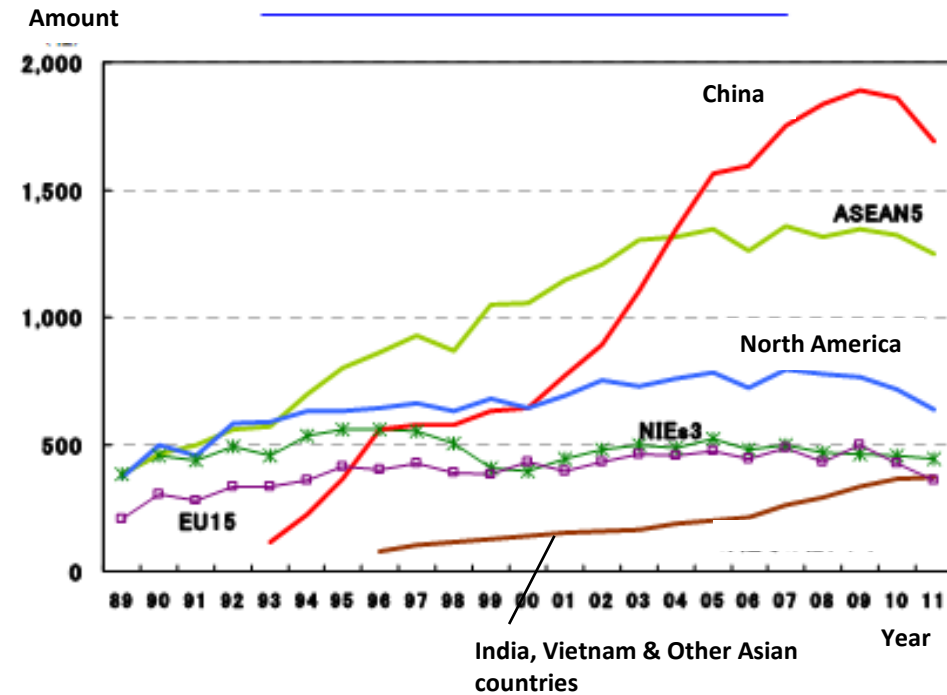


Figure 2. Production Bases of Japanese Companies overseas




(※1) China has been counted separately since 1993, while other Asian countries since 1996.

(※2) Singapore is in NIEs until 1998, then joined into ASEAN from 1999. EU means EU15 since 2004.

## Countries/Areas which Japanese Manufacturing Companies Target in Mid-Term (Around 3 Years)

2011		
Ranking	Country	Rate (%)
1	China	72.8
2	India	58.6
<b>3</b>	<b>Thailand</b>	<b>32.5</b>
<b>4</b>	<b>Vietnam</b>	<b>31.4</b>
5	Brazil	28.6
<b>5</b>	<b>Indonesia</b>	<b>28.6</b>
7	Russia	12.4
8	USA	9.9
<b>9</b>	<b>Malaysia</b>	<b>7.7</b>
10	Taiwan	6.9
11	Republic of Korea	6.1
12	Mexico	5.7
<b>13</b>	<b>Singapore</b>	<b>4.9</b>
<b>14</b>	<b>Philippines</b>	<b>3.0</b>
15	Turkey	2.4
16	Australia	1.6
16	Bangladesh	1.6
<b>16</b>	<b>Cambodia</b>	<b>1.6</b>
<b>19</b>	<b>Myanmar</b>	<b>1.4</b>
20	UK	1.2

2010		
Ranking	Country	Rate (%)
1	China	77.3
2	India	60.5
<b>3</b>	<b>Vietnam</b>	<b>32.2</b>
<b>4</b>	<b>Thailand</b>	<b>26.2</b>
5	Brazil	24.6
<b>6</b>	<b>Indonesia</b>	<b>20.7</b>
7	Russia	14.5
8	USA	11.2
9	Republic of Korea	5.8
<b>10</b>	<b>Malaysia</b>	<b>5.6</b>
10	Taiwan	5.6
12	Mexico	4.8
<b>13</b>	<b>Singapore</b>	<b>4.1</b>
<b>14</b>	<b>Philippines</b>	<b>2.7</b>
15	Australia	1.6
15	Bangladesh	1.6
15	Turkey	1.6
18	German	1.4
19	UK	1.2
<b>20</b>	<b>Myanmar</b>	<b>1.0</b>
20	Poland	1.0
20	Saudi Arabia	1.0
20	South Africa	1.0
20	United Arab Emirates	1.0

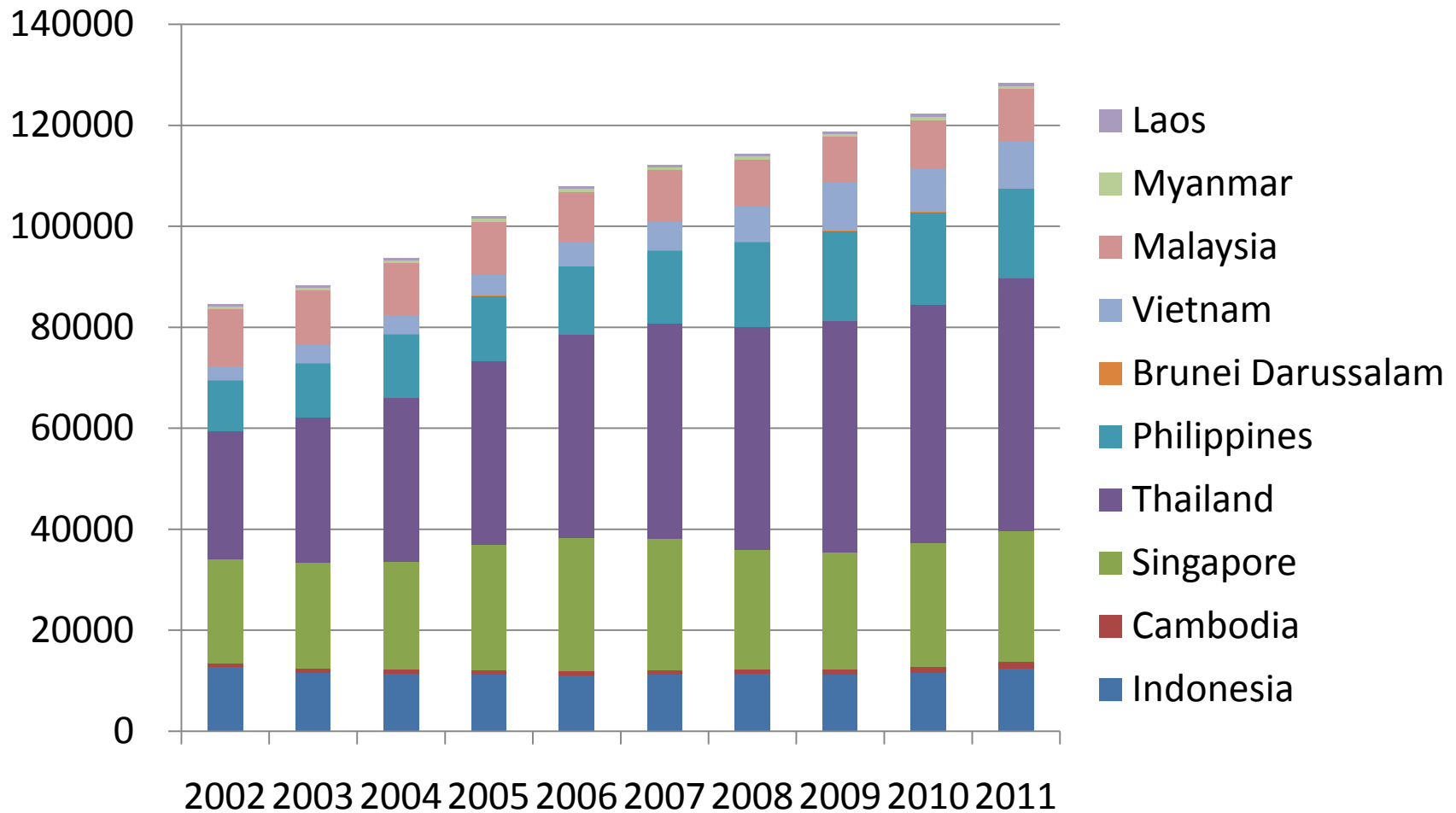
ASEAN Member States 

Source: Japan Bank for International Cooperation (JBIC)





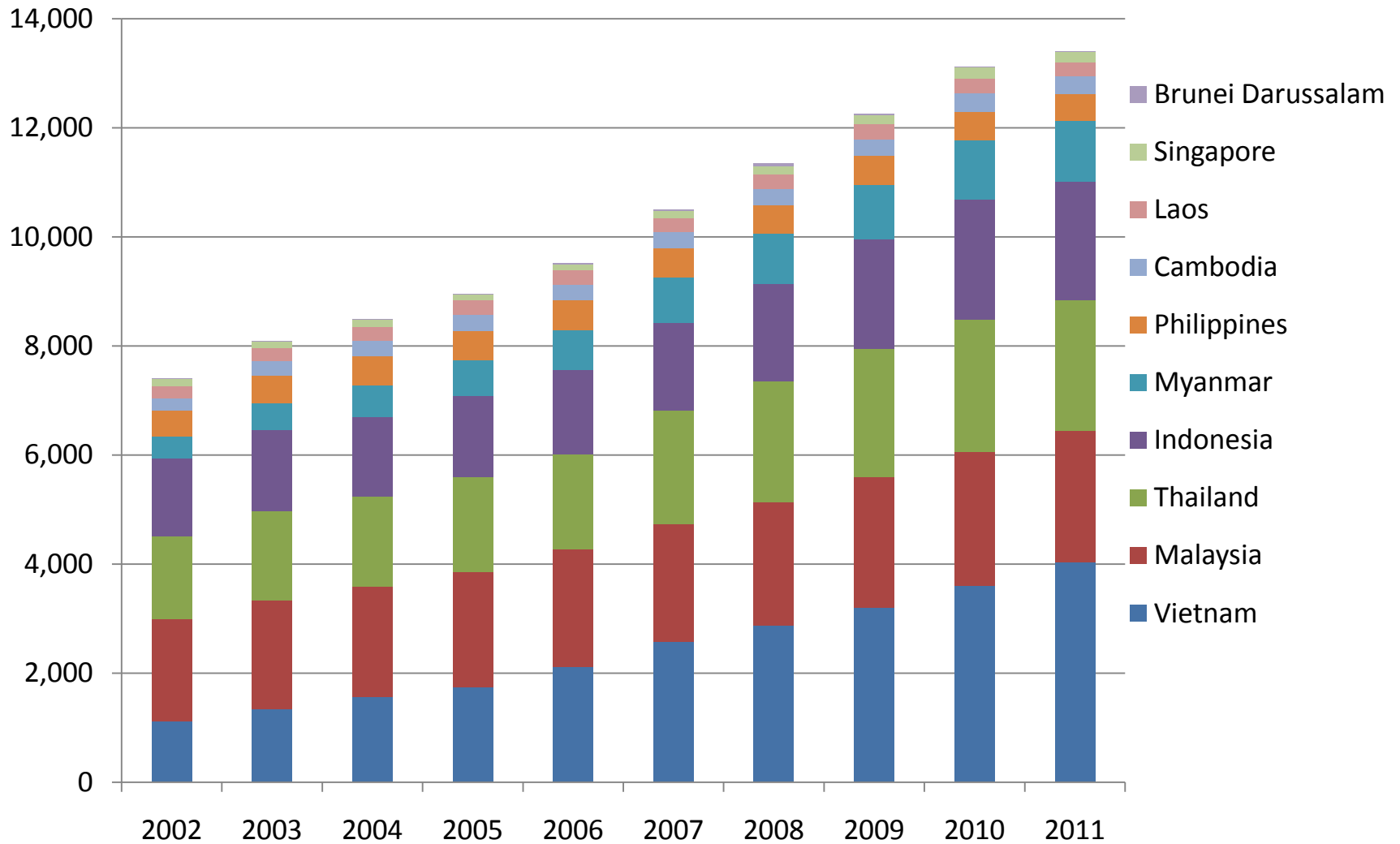
# The Number of Japanese Living in ASEAN Member States





# The Number of Foreign Students From ASEAN Member States

The Number of Foreign Students from ASEAN Member States has increased over the years.





# People to People Connectivity

## – Kokoro no tomo (Heart-to-Heart relations)

- Human ties made through economic activities or students exchanges can and should become relations of mutual trust.
- We need to become “Kokoro no tomo” for our relations to become robust and resilient.



# ASEAN'S SUPPORT FOR JAPAN

- THE GREAT EARTHQUAKE IN JAPAN
- ASEAN CARAVAN OF GOODWILL
- SPECIAL MINISTERIAL MEETINGS



# ASEAN Member States Supports For The Earthquake Victims in Japan, March 2011

Country	Material	Receiving Location
Indonesia	Blankets, foods, canned rice sets, donation	Iwate Pref., Yamagata Pref., Saitama Pref.
Singapore	Blankets, water, mattresses, plastic tanks, emergency foods, donation	Miyagi Prefecture
Malaysia	Packed foods	Miyagi Prefecture
Philippines	Packed foods, cup noodles, bath towels, mats,	Iwate Pref., Miyagi Pref.

Source: MOFA, Japan



# ASEAN Member States Supports For The Earthquake Victims in Japan, March 2011

Country	Material	Receiving Location
Vietnam	Towels, shoes, underwears for children and adults, disposable chopsticks	Iwate Pref., Miyagi Pref.
Brunei Darussalam	Donation	
Laos	Donation	
Myanmar	Donation	
Cambodia	Donation	

Source: MOFA, Japan



# ASEAN Caravan Of GoodWill

Under the leadership of the former Secretary-General of ASEAN Dr. Surin Pitsuwan, 44 volunteers from ASEAN member states, including the victims of 2004 Indian Ocean Tsunami, and 28 volunteers from ASEAN member states who were studying in Japan visited Ishinomaki to lift the moral of the victims.



Copyright: ASEAN Secretariat



# Special ASEAN –Japan Ministerial Meeting

In response of the Great East Japan Earthquake, ASEAN decided to hold the Special ASEAN-Japan Ministerial Meeting on 9 April 2011.







# JAPAN'S SUPPORT FOR ASEAN

- SUPPORT FOR EARTHQUAKE VICTIMS IN ACEH, INDONESIA
- SUPPORT FOR FLOOD VICTIMS IN THAILAND
- SUPPORT FOR OPERATIONALIZATION OF AHA CENTER



# Supports From Japan Forr Earthquake Victims in Aceh, Indonesia



Copyright: Ministry Of Defense - Japan



# Japan' Supports for Flood Victims in Thailand





# Japan's Support For The Operationalization Of The AHA Center

ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA Centre) serves as the regional hub for disaster monitoring and analysis, preparedness, response, and technical and scientific cooperation



# JENESYS(Japan-East Asia Network of Exchange for Students and Youths)

First program was launched 2007 to deepen mutual understanding among youth who will assume important roles in the next generation in East Asian countries and establish a basis for Asia's solidarity and promote friendship.



Traditional culture experience



Sports exchange

Under the first program about 13,500 youths from ASEAN countries (among which about 2,300 Indonesians) were invited to Japan. They visited various cultural, economic and social facilities in Japan and had opportunities to interact with Japanese friends and citizens.



Discussion among participants



Homestay

Second program JENESYS 2.0 was announced Jan 18, 2013 in Jakarta by PM Abe.

The program aims at inviting approximately 10,000 youths from ASEAN Member States.



School Visit



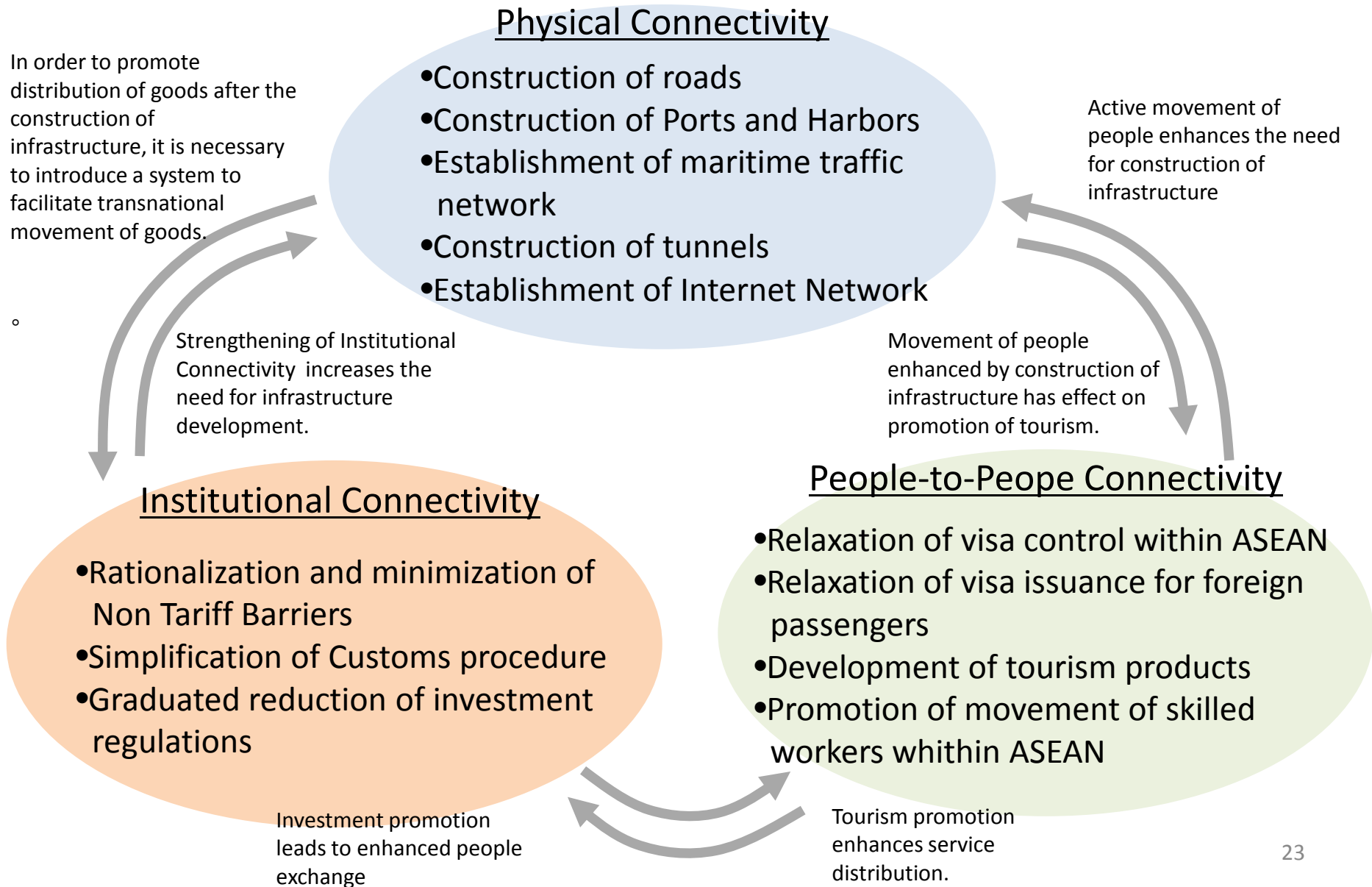
Factory tour



# ASEAN To Face Many Challenges

- Why ASEAN matters to you and to us?
- Something more than addition of 10.
- Power of networking and connectivity

# 3 Pillars of ASEAN Connectivity and their relations



# JAPAN'S Vision for Supporting ASEAN Connectivity

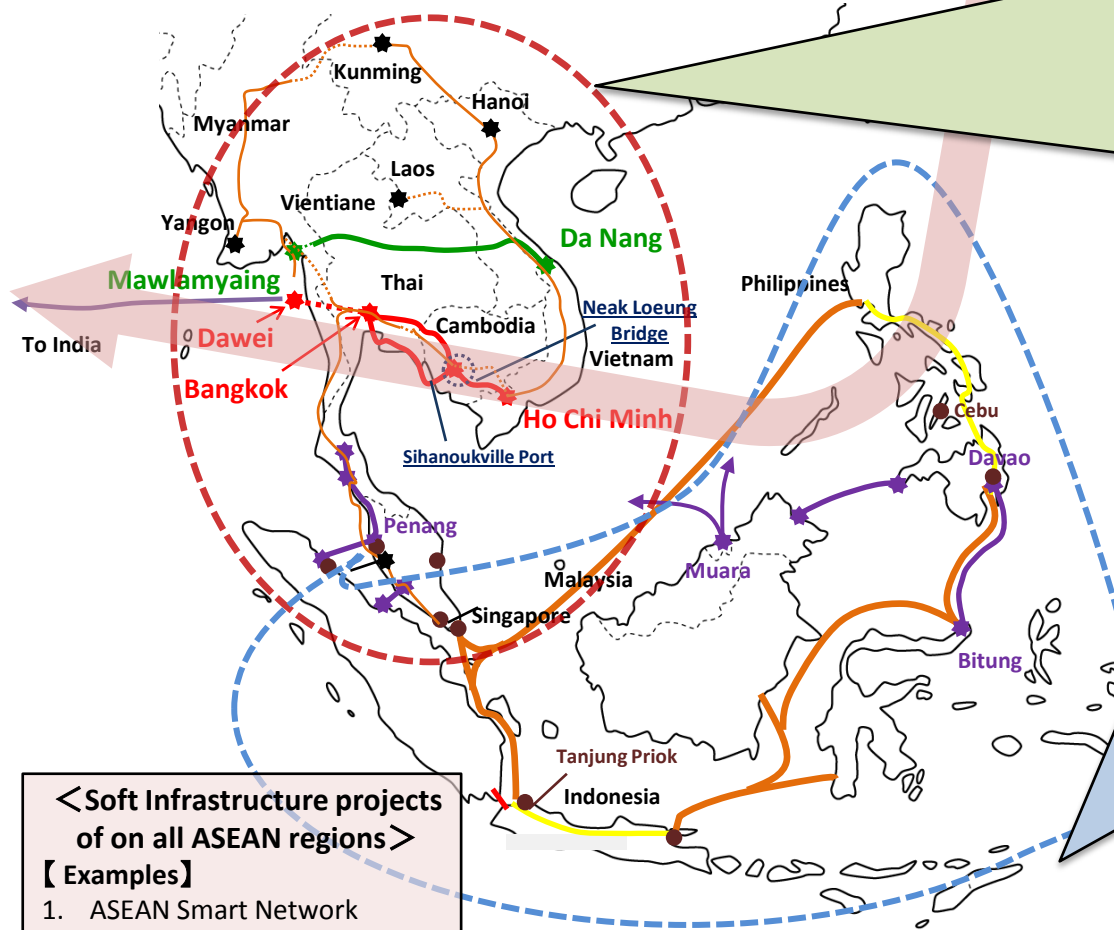
〈Support for enhancing connectivity in all ASEAN regions〉

 EWEC

Da Nang, Vietnam ~ Mawlamyaing, Myanmar

 SEC

Ho Chi Minh, Vietnam ~ Dawei, Myanmar



## <Formation of the Vital Artery for East-West and Southern Economic Corridor>

Infrastructure development and connection between the South China Sea and the Indian Ocean in Mekong region

Develop the **"South Corridor"** connecting Ho Chi Minh, Phnom Penh, Bangkok and Dawei as well as **"East-West Corridor"** expanding from Da Nang to Mawlamyaing. Development of the both corridors to enable overland access across Indochina Peninsula, which lead to a great benefit on the transportation and distribution of goods.

### 【 Example Projects 】

1. Missing link Development (e.g. Neak Loeung Bridge in Cambodia, South-North Expressway in Vietnam)
2. Port Development (e.g. : Cai Mep-Thi Vai International Port in Vietnam, Sihanoukville Port Multipurpose Terminal in Cambodia, etc.)

## <Maritime ASEAN Economic Corridor>

Consolidating Connectivity through the development of port, port-associated industries as well as energy and ICT network, targeting on the cities of Malaysia, Singapore, Indonesia, Brunei and the Philippines. Support the Vision of Indonesia Economic Development Corridor.

### 【 Example Projects 】

1. Development of the Roll-on/Roll-off (RoRo) Network and short-sea shipping (Philippines, Indonesia etc.)
2. The development of vessel traffic service system (Indonesia etc.)

## <Soft Infrastructure projects of on all ASEAN regions>

### 【 Examples 】

1. ASEAN Smart Network
2. Support on Smooth logistics of people and goods crossing the border
3. Establishing common rules for standards for Automotives

 'Ring Shipping Route' to be improved described in M/P Chap.3

 Potential International Route described as Key Action in M/P Chap.3





# Conclusion

- ASEAN-Japan relations are getting closer and closer, especially in the field of economy.
- ASEAN-Japan people to people ties are getting stronger making both of us “Kokoro no tomo”
- To be Kokoro no tomo, youth exchange is very important.
- ASEAN-Japan relations will continue to grow because they are beneficial to both.
- However, ASEAN is more than that. ASEAN is a challenging project everyone wishes to see succeed.