

JAPAN Digest

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• Japan-Australia Reciprocal Access Agreement

Following six years of negotiation, Japan and Australia have agreed in principle on the Reciprocal Access Agreement (RAA) during Australian Prime Minister Scott Morrison's visit to Tokyo. The objective is to facilitate deeper cooperation and improving interoperability between the Japanese Self-Defense Forces (SDF) and Australian Defence Force during joint exercises and disaster relief operations, by way of establishing procedures and legal status for each other's visiting force in their territory. The RAA encompasses rationalization procedures to ease deployment and joint activities, together with entry and departure of the visiting force, custom duties and taxes, and criminal jurisdiction. The RAA needs ratification by the Japanese Diet. Japan-Australia RAA is only the second such arrangement that Tokyo has agreed to besides the US. Japan has signed Status of Forces Agreement with the US.

Earlier in October, the Japan-Australia defense ministers meeting was held in Tokyo. They decided to commence coordination in order to build a framework to protect Australian Defence Force assets by the Japanese SDF personnel under Article 95-2 of the SDF Law. Beyond the US, this is the first time that Article 95-2 of the SDF law is applied to another military. The depth of Japan-Australia security cooperation has grown since the Joint Declaration on Security Cooperation in 2007 and forging of the Special Strategic Partnership in 2014. RAA is expected to form the "key plank" in both nations response to an increasingly challenging security environment in the Indo-Pacific. Vice Admiral William Merz, commander of the U.S. Navy's Seventh Fleet, has supported the RAA as it aims to bolster military cooperation that will support Washington. There is active trilateral defence cooperation involving the US in the Indo-Pacific.

Japanese position on China joining the CPTPP

At the APEC Economic Leaders' Meeting, Chinese President Xi Jinping indicated that Beijing is considering participation in the CPTPP (TPP-11). In 2021, Japan is scheduled to be the Chair of the TPP Commission. Following US exit from the TPP, Japan has played a central role in concluding the agreement boasting high standards. Japan maintains that CPTPP features advanced content regarding not just market access but also rules. Therefore, it is important to resolutely determine whether economies expressing interest in CPTPP are equipped to satisfy such high-level content. As Chair, Tokyo would work on advancing CPTPP based on strategic perceptions while observing economies that indicated interest in joining the agreement.

• Japan has joined the RCEP

Japan has signed the Regional Comprehensive Economic Partnership agreement, touted as world's largest trading bloc accounting for about 30 per cent of the world's GDP and population. It includes China, Japan, South Korea, Australia and New Zealand along with the 10 members of ASEAN. It will enter into effect once at least 6 ASEAN countries and 3 non-ASEAN countries ratify it. It is important to note that as Asia's two leading economies, for China and Japan, RCEP is the first FTA linking them. Reports suggest that tariffs on 86 per cent of Japanese goods exported to China will be removed, benefitting Japanese manufacturers.

Wang Yi visits Japan

State Councilor and Foreign Minister Wang Yi visited Japan on November 24 and held Japan-China Foreign Ministers' Meeting with his Japanese counterpart, Motegi

Toshimitsu. He also met with Prime Minister Suga. The focus was on recommencement of cross-border exchanges which was interrupted following the outbreak of the pandemic. This was the first face-to-face high level meeting between two countries since the inauguration of the Suga administration. Japanese side stressed early elimination of import restrictions on Japanese food products as March 2021 will mark the tenth anniversary of the Great East Japan Earthquake, and decided to set up a "Japan-China Agricultural and Fishery Products Trade Cooperation Mechanism". Additionally, quick recommencement of exports of Japanese beef and expansion of rice exports were discussed. Furthermore, Japan has raised its concerns over the developments in the East China Sea, and its implications on regional security.

• Japan-Maldives cooperation

To reinforce the operational capability of the Maldives National Defence Force Coast Guard, Japan has committed equipment worth US\$ 7.6 million in grant. Under this grant, communication equipment for Maritime Rescue Coordination Centre (MRCC) in Villimale, search and rescue professional dive gears and related equipment, including recompression chambers, high pressure air compressor, gas storage systems, remotely operated underwater vehicle (ROV), underwater scooters and body recovery tools can be procured.

• India-Japan cooperation in 5G

Reports suggest that Japanese Internal Affairs and Communications Minister, Ryota Takeda and India's Minister for Communications, Electronics and Information Technology, Shri Ravi Shankar Prasad is scheduled to sign an agreement on information and communication in December. It is expected to advance the introduction of 5G networks, promote development and global standardization of 6G technology, and get submarine fiber-optic cables and additional technologies from Japan. Regarding 5G, Rakuten is preparing to export a cloud-based mobile network which would decrease the price of installation and operation and it has set up a laboratory in Bengaluru.

• India-Japan strengthen cooperation on supply chain

Reports suggest that India and Japan have identified key sectors including automobiles and parts, petroleum, steel, textiles, financial services and IT to advance the Supply Chain Resilience Initiative (SCRI) forged in cooperation with Japan and Australia. The aim is to diversify supply sources, elevate sectoral competitiveness, and attract foreign direct investment. Meanwhile, Japan has agreed to extend financial assistance to Toyota-Tsusho and Sumida to diversify manufacturing from China to India. Also, Japan is reportedly assisting around ten companies including Suzuki Motor Corp and Olympus Corp to invest in innovative solutions in cooperation with Indian IT companies.

Japan to go carbon neutral by 2050

Prime Minister Suga has officially outlined Japan's pledge to go carbon neutral by 2050, making fundamental transition from Japan's reliance on coal to a mix of renewable and nuclear energy.