

The Government of Japan

Towards Free and Open Indo-Pacific



November 2019

*Sailing on the Indo-Pacific Ocean,
finding opportunities for prosperity*



Three pillars of Japan's efforts to realize a free and open Indo-Pacific

In August 2016, Prime Minister Abe announced his vision for “Free and Open Indo-Pacific” in his keynote address at TICAD VI held in Kenya.

A key for stability and prosperity of the international community is dynamism that is created by combining “Two Continents” : Asia that is rapidly growing and Africa that possesses huge potential of growth; and “Two Oceans” : Free and open Pacific Ocean and Indian Ocean
⇒ Develop a free and open Indo-Pacific region as “international public goods”

1. Promotion and establishment of the rule of law, freedom of navigation, free trade, etc.

- Maintain fundamental principles of the international order, which are the foundation of peace and stability in the Indo-Pacific

2. Pursuit of economic prosperity

Improve three connectivities

- Physical connectivity: quality infrastructure (ports, railways, roads, energy and ICT)
- People-to-people connectivity: education, training and friendship
- Institutional connectivity: harmonization and common rules including through EPA/FTA

3. Commitment for peace and stability

■ Capacity-building

- Maritime Law Enforcement
- Maritime Domain Awareness (MDA)
- Human Resource Development

■ HA/DR

- Humanitarian Assistance and Disaster Relief
- Anti-Piracy - Counter-Terrorism
- Non-Proliferation
- Peacekeeping Operations (PKO)



“A vast expanse of sea stretches from the Pacific Ocean to the Indian Ocean. Since ancient times the people of this region have enjoyed affluence and prosperity from this large and free body of water. Freedom of navigation and the rule of law form their bedrock. We must ensure that these waters are a public good that brings peace and prosperity to all people without discrimination into the future. To this end we will promote the Free and Open Indo-Pacific Strategy.”

Policy Speech by Prime Minister Shinzo Abe to the 196th Session of the Diet in January 2018

- ✓ *Open and comprehensive concept, not exclusive to anybody*
- ✓ *Not to create a new institution nor override/undermine existing organizations*

Japan has always been, and will be, committed to promoting peace, stability and prosperity in the Indo-Pacific region



1960-

- ✓ **Bilateral Gross ODA to Asia, Africa and Oceania: \$337 billion** (*as of the end of 2017)
- ✓ **Dispatched 189,000 experts and 53,000 volunteers***
- ✓ **640,000 trainees studied in Japan*** (*total number of trainees 1954-2018)

→ Japan has steadily fulfilled our assistance commitments in cooperation with local companies in creating local jobs.



FDI stock in ASEAN: \$200 billion (≐¥22 trillion)

Thailand: ¥6.9 trillion, Singapore: ¥6.6 trillion,
Indonesia: ¥3.4 trillion, Philippines: ¥1.7 trillion
Vietnam: ¥1.7 trillion, Malaysia: ¥1.6 trillion

(source) as of the end of 2017. statistics held by Bank of Japan

With the spirit of respecting ownership of recipient countries and local people: growing and developing together

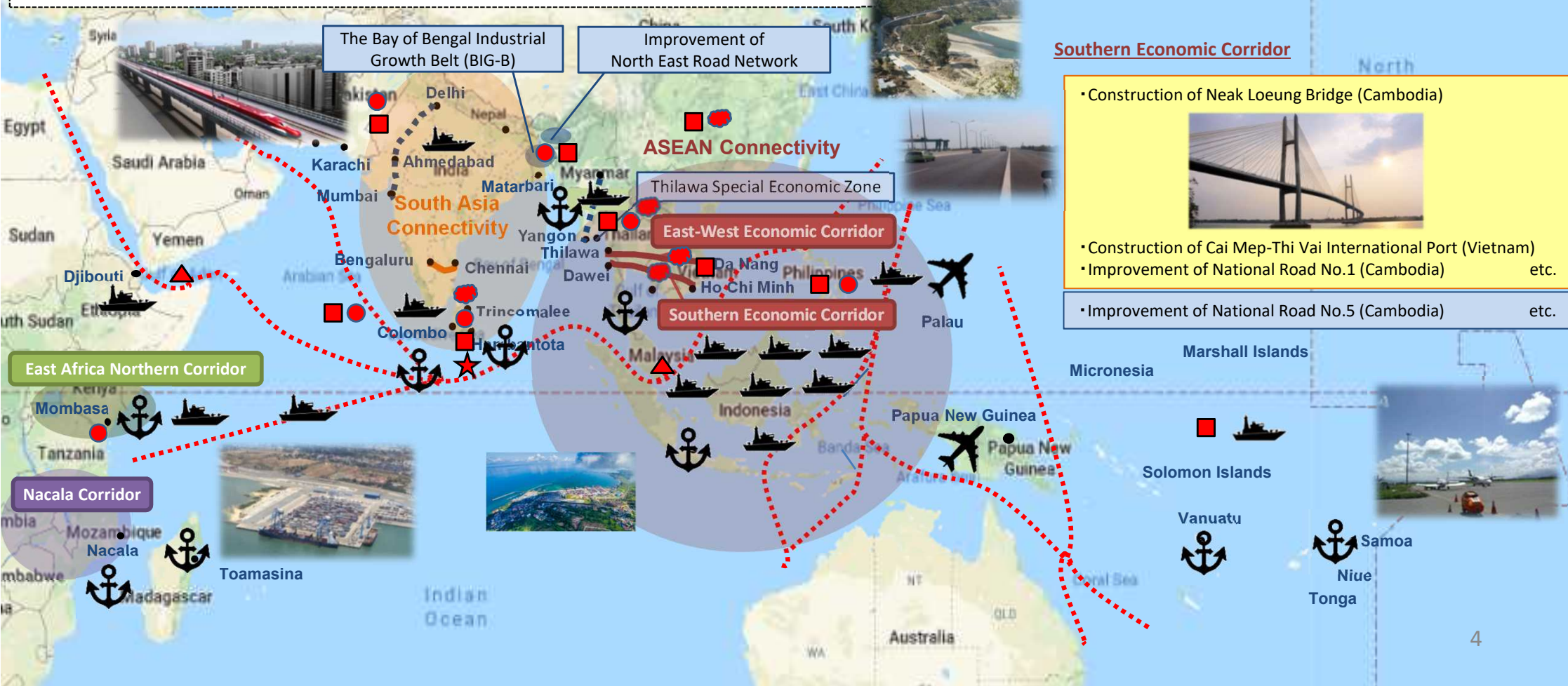
Pursuing regional peace and prosperity through connecting the continents and oceans with secured sea lanes in the Indo-Pacific Region

-  Port : Bangladesh (Matarbari) , Cambodia (Sihanoukville), Indonesia (Patimban), Kenya (Mombasa), Madagascar (Toamasina), Mozambique (Nacala), Samoa (Apia), Sri Lanka (Colombo, Trincomalee), Vanuatu (Port Vila)
-  Airport: Papua New Guinea (Nazab), Palau
-  Maritime Security and Safety: ASEAN, Brunei, Cambodia, Djibouti, India, Indonesia, Kenya, Malaysia, Myanmar, Thailand, Philippines, Seychelles, Sri Lanka, Vietnam, Pacific Island Countries
-  Counterterrorism: Bangladesh, Kenya, Maldives, Pakistan, Philippines, Sri Lanka, Thailand,
-  Disaster Risk Reduction: ASEAN, Bangladesh, Maldives, Pakistan, Philippines, Sri Lanka, Thailand, Vietnam, Pacific Island Countries
-  Counterpiracy: Gulf of Aden, ReCAAP-ISC (in Singapore)
-  Mine Cleaning: ASEAN, Sri Lanka, Vietnam, Laos, Cambodia
-  Post-Conflict Management: Sri Lanka
-  Major Sea Lanes



- Construction of Hai Van Tunnel (Vietnam)
- Improvement of Da Nang Port (Vietnam)
- Construction of Second Mekong International Bridge (Laos)
- Improvement of National Road No.9 (Laos)
- Improvement of East-West Economic Corridor (Myanmar) etc.

- Southern Economic Corridor**
- Construction of Neak Loeng Bridge (Cambodia)
 - Construction of Cai Mep-Thi Vai International Port (Vietnam)
 - Improvement of National Road No.1 (Cambodia) etc.
 - Improvement of National Road No.5 (Cambodia) etc.



Promotion of Fundamental Principles (rule of law, freedom of navigation, openness, free trade etc.)

Free and open market with high-level trade rules

CPTPP (TPP11 Agreement)



Signed on March 8, 2018 in Santiago, Chile

- Liberalize and facilitate trade in goods and services as well as investment with high-level rules on broad areas such as IPR and e-commerce.
- In face of tendency of protectionism around the world, the CPTPP (TPP11 Agreement) is an important step to establish free and fair economic rules in the twenty-first century.

High Level Diplomacy



The rule of law at sea: Three principles

1. States shall make and clarify their claims based on international law.
2. States shall not use force or coercion in trying to drive their claims.
3. States shall seek to settle disputes by peaceful means.

The Shangri-La Dialogue
(2014)

Prime Minister Abe proactively promotes fundamental principles including rule of law, freedom of navigation, openness and free trade in the Indo-Pacific region.

Enhancing Connectivity through Quality Infrastructure

Japan promotes quality infrastructure investment in accordance with international standards, such as “G20 Principles for Quality Infrastructure Investment”, which includes openness, transparency, economic efficiency, and debt sustainability.

Developing the Mekong region as a bridge between the Indian and Pacific Oceans

Economic Prosperity through the Development of the East-West and Southern Economic Corridors and the Enhancement of Soft Connectivity



North-South Highway in Viet Nam (Provided by JICA)



Sihanoukville Port in Cambodia (Provided by JICA)

■ Developing Roads and Bridges along the two Corridors

Southern Economic Corridor

- Improvement of National Road No.5 crossing Cambodia will **double-triple traffic volume**
- Construction of a highway crossing southern Viet Nam will **reduce travel time by half**

East-West Economic Corridor

- Construction of roads and bridges will reduce travel time from **4.5 hrs. → 2 hrs.** (bet. 2 cities located in southeast Myanmar)
- Improvement of bridges located in the central Lao PDR will **double traffic volume**

■ Port Development

Development of Sihanoukville Port will **double container volume**

■ Enhancing Soft Connectivity

- Introduction of electronic customs clearance system in Viet Nam reduced processing time from **15 min. → 1-3 sec.**
- Japan Centers for Human Resource Development trained **17,150 people** since 2015 to promote universalization of business practice

■ Strengthening Communication to Enhance Mekong Connectivity

- Japan-Mekong Connectivity Forum (Approx. **130 participants from both public and private sectors**) was launched to exchange views on prospects and challenges in development of the two Corridors

※The above-mentioned quantitative data include estimated results of ongoing projects

Enhancing Connectivity through Quality Infrastructure

Japan's World-class Shinkansen Bullet Train Runs through the Vast Land of India

High Speed Railway Project: Connecting India's largest city Mumbai with Ahmedabad, a prospering commercial and financial center



Computer graphics of the Mumbai-Ahmedabad High Speed Railway(MAHSR)
(Photo: National High Speed Rail Corporation Limited (NHSRCL))

- Travel time from Mumbai to Ahmedabad (500 km) will be reduced from **7 hrs.** → **2hrs.** (max. speed: **320 km/h**)
- Technical transfer through **human resource development**
 - Construction of a training institute
 - Training in Japan for personnel from NHSRCL and Ministry of Railways
- Development of the railway network and the areas surrounding train stations is expected to contribute to **further economic development, job creation, and poverty reduction** in India

Integrated development of the entrance port and corridor in East Africa

Development of Mombasa port and roads and bridges of the surrounding corridor: Connecting inland states to the Indian Ocean



New container terminal at Mombasa Port in Kenya
(Provided by TOYO CONSTRUCTION CO., LTD)

- Container volume will increase from approx. **0.9 million TEU*** → **2.17 million TEU** by 2025
- **Comprehensive development of Mombasa port and the East Africa Northern Corridor** through the development of access roads and SEZ (Special Economic Zone)
- **Technical transfer by the employment of approx. 2,000 Kenyans** at construction sites
- **Substantial reduction of CO2 emissions** by employment of eco-friendly hybrid gantry cranes
- **Reduced operation and maintenance costs** by application of advanced technology (thick anticorrosion coat) in land reclamation

*TEU: twenty-foot equivalent unit

Response to challenges for peace and stability

Ensuring Sustainable Development in Pacific Island Countries

Addressing disaster and environmental issues through provision of equipment and technical cooperation

The Project for Improvement of Equipment for Disaster Risk Management in Fiji



Wind profiler (weather observing equipment) (Provided by JICA) Facility tour (Provided by Embassy of Japan in Fiji)

- Development of an emergency radio communication system reduced required time for tsunami warnings from **90 min. → 8 min.**
- Provision of generators and medical equipment, etc. **ensures lifeline at the time of disaster** in Pacific island countries
- Improvement of national landfill increased its **processing capacity to approx. 20 years worth of waste**
- Provision of equipment for disaster risk management **expedites transmission of disaster information**
- Continued support for **policy planning and training on solid waste management** in Pacific island countries

Enhancing Maritime Safety and Security

Providing equipment and human resource development for maritime law enforcement in Southeast Asia



Technical guidance to the staff of the Philippine Coast Guard (Provided by JCG)

- Provision of a total of **27 patrol vessels, 13 high-speed boats and 11 coastal monitoring radar equipments**
- Dispatch of **Japanese experts for long term placement** at maritime law enforcement agencies to build local capacity
- **Law enforcement training** utilizing provided patrol vessels
- **Japan-US training** on operation and maintenance of provided high-speed boats

In June 2017, a Philippine patrol vessel provided by Japan, which participated in a counter-piracy joint exercise with Japan Coast Guard (JCG) around Mindanao, successfully captured pirates just one day after the exercise.

Japan's initiatives with partners

~ Willing to cooperate with any countries which share our vision ~

Japan extends various projects individually and cooperation with its partners towards “Free and Open Indo-Pacific”.

* Three pillars of Japan's efforts to realize a free and open Indo-Pacific

(①) Promotion and establishment of the rule of law, freedom of navigation, free trade, etc.

(②) the pursuit of economic prosperity through enhancing connectivity

(③) Commitment for peace and stability

* The following list of projects is non-exhaustive

● **Maritime Security** (③)

- Palau: Japan, the U.S. and Palau are working together to improve Palau's awareness of activities in its Exclusive Economic Zone.
- The Philippines: Japan and the U.S. provide assistance to build maritime security capacity in the Philippines and other Southeast Asian countries in a mutually complementary manner in order to contribute to strengthening maritime law enforcement capacity, maritime domain awareness (MDA) capacity, human resource development, etc.
- Viet Nam: Maritime Security and Safety Capacity Improvement Project
 - ⇒ Total number of patrols per year is expected to increase from 0 (2015) to 72 times (2023) due to 6 new offshore patrol vessels.

● Quality Infrastructure

【Transportation (roads, railways, bridges, ports, etc.)】 (2)

➤ Cambodia:

- National Road No. 5 Improvement Project
- Development of Sihanoukville Port (New Container Terminal Development Project, Multipurpose Terminal Development Project and related technical cooperation programs)

➤ Laos: Project for Reconstruction of the Bridges on National Road No.9

- Bangladesh: India-Japan Cooperation, for enhancing connectivity by way of widening roads and refurbishing bridges on the Ramgarh to Baraiyarhat stretch, and providing rolling stock and constructing the Jamuna Railway Bridge over the Januma River

➤ Viet Nam:

- Lach Huyen Port Infrastructure Construction Project (①Port, ②Road and Bridge)
⇒ TEU* will increase up to 500,000 (2020), and the travel time between Tan Vu and Lach Huyen will be reduced from 155min. to 12min. (2020)

*TEU: twenty-foot equivalent unit

- North-South High Speed Rail Project

Japan's initiatives with partners

● Quality Infrastructure

【Transportation (roads, railways, bridges, ports, etc.)】 (2)

- Myanmar :
 - Thilawa Special Economic Zone (SEZ)
 - ⇒ Japan and Myanmar works on development of industrial zones and surrounding infrastructure such as electricity, roads, ports, water supplies and telecommunications).
 - Upgrading of Yangon-Mandalay Railway
 - ⇒ Speeding up rail operation and strengthening transportation capacity of cargo and passengers by rehabilitating dilapidated railway. The travel time from Yangon to Mandalay will be shortened: 15 → 8 hours.
 - Project for the Development of Mandalay Port
 - ⇒ The volume of cargo will increase: 0 → 200,000 tons. The mooring period of ships will be shortened: 2 weeks → 6 - 24 hours.
- Indonesia: Accelerating the operating speed of the northern Java railway
- Philippines:
 - Extension of North-South Commuter Railway Project in the Metropolitan Manila Area
 - ⇒ The project contributes to the enhancement of connectivity and the easing of traffic jam in the Metropolitan Manila Area and the suburban area.
 - Rehabilitation of the MRT-3 Line
- Malaysia:
 - Consideration of Yen Loans possibly on transportation, education and human resources development
 - Investigation of comprehensive improvement of transportation of passengers and goods
 - Dispatch of professionals of JR Kyushu and JR Freight

【Soft Connectivity】 (2)

- Myanmar: Japan conducted the Project of Capacity Development for National Single Window and Customs Modernization by Introducing Automated Cargo Clearance System in Myanmar(MACCS).
 - ⇒ Promoting trade facilitation while securing appropriate collection of duties.

Japan's initiatives with partners

● Quality Infrastructure

【Soft Connectivity】 (2)

- Thailand: Project for Promotion of Economic Development and Connectivity in the Western Region
 - ⇒ This project supported the establishment of an infrastructure development plan for the western part of Thailand thereby enhancing connectivity with Myanmar.
- Cambodia: Project for Improving the Logistics System of Cambodia
- Indonesia: Patimban new port development project in Eastern Jakarta
- Mekong Region:
 - Cooperation for smooth implementation of relevant rules on e-commerce (3)
 - ⇒ Japan and countries in the region develop regulations on e-commerce thereby enhancing soft connectivity.
 - Project to support the development of patent examination manuals (2)
 - ⇒ Japan and countries in the region improve the patent examination system including through early examination, thereby enhancing soft connectivity.

【Other】

- Micronesia: Heavy machinery to be provided through Japan's assistance can be utilized for the maintenance of infrastructure built by the Federated States of Micronesia and the United States using Compact funds. (3)
- Promoting quality infrastructure in cooperation with partners such as Australia, EU and the U.S., including through provision of financial/technical support and holding seminars on quality infrastructure (ex. April 2018 in Tokyo, September 2018 in NY). (1)

Japan's initiatives with partners

● Environment/Health

【Disaster Risk Reduction】 (3)

- Sri Lanka: Japan provides yen loan for project to prevent landslide disasters, grant aid to construct a weather radar system and technical cooperation. The U.S. supports disaster resilient water supplies.
- Myanmar and other Mekong countries, etc.: Japan-Thailand cooperation (Disaster Prevention and Management, Transportation) (2) (3)
 - ⇒ This cooperation enhances of connectivity and sustainable development.
- Philippines: Pasig-Marikina River Channel Improvement Project
 - ⇒ The project mitigates the damage from the flooding to the center of Metropolitan Manila Area and contributes to overcome vulnerability and to stabilize local infrastructure.
- Indonesia: Assistance to the rehabilitation and reconstruction after the Earthquake and Tsunami Disaster, which occurred on September in Central Sulawesi and assistance to the measurement of the earthquake and tsunami disaster afterwards.

【Marine resource protection】 (3)

- Marshall Islands, Micronesia, Palau: Japan conducts technical assistance on illegal, unreported and unregulated (IUU) fishing, to which the U.S. plans to provide experts.
- Timor-Leste: The countries agreed to pursue specific cooperation in the maritime field under the framework of trilateral cooperation among Timor-Leste, Indonesia and Japan.

【Forest conservation】 (3)

- Mekong Region: Data Collection Survey regarding the management of the basin of the Mekong River

【Health】 (3)

- Micronesia: Japan and the U.S. are jointly funding a wellness center in Yap.
- Kenya: India-Japan Cooperation in Africa, such as organising an SME development seminar and seeking a possibility of a collaborative project in the area of health service in Kenya.

【Women's Center】 (3)

- Micronesia: Together Japan and the United States are funding construction of a Women's Center in Yap State. 13

Japan's initiatives with partners

● Human resource development

【Capacity building of government official】 (①)

- Sri Lanka: Japan receives young government officials to study in Japan and dispatches experts to the NPD (Department of National Planning). The U.S. supports capacity building regarding democracy and governance, transitional justice, public financial management and commercial law development.
- Myanmar: Japan has received approx. 500 young government officials to study in Japan and has been implementing human resource development to strengthen governance including development of legal systems, customs, police etc.
- Viet Nam: Japan has been implementing human resource development to strengthen governance including through receiving young government officials to study and training in Japan for the senior officials of the Vietnamese communist party (targeting to develop 800 officials in total in 5 years).
- Timor-Leste: The Project for Human Resource Development Scholarship (JDS)
 - ⇒ The Project supports that young officials from Timor-Leste get a Master's Degree from a Japanese graduate school.

【Peacebuilding】 (③)

- Laos: Project for Strengthening Management Capacity of UXO Lao
 - ⇒ This project strengthens the management capacity of UXO Lao in planning, operating and monitoring its work.
- Thailand: Capacity Development on Assisting Victims of Trafficking in the Greater Mekong Sub-regional Countries
 - ⇒ VOT's social reintegration is assisted/capacity of concerning agencies in supporting VOT's repatriation is built/management to support VOT's repatriation and social reintegration is enhanced.
- Myanmar: India-Japan Cooperation in the Rakhine State in the areas of housing, education and electrification
- Philippines: Support for Peace and Stability in Mindanao
 - ⇒ Comprehensive support package including Infrastructure development.

Japan's initiatives with partners

● Energy sector (②)

- Cooperating within the Japan-U.S. Strategic Energy Partnership(JUSEP)
 - Japanese government's target of \$10 billion in public and private investment and capacity building training
 - United States' Asia Enhancing Development and Growth through Energy (Asia EDGE) initiative
- ⇒ Japan and the U.S. intend to facilitate high-standard investment in projects to supply liquefied natural gas (LNG) or build LNG infrastructure.
- Sri Lanka: India-Japan Cooperation, such as the development of LNG-related infrastructure

● Legal system development

- Cambodia: Legal and Judicial Development Project (①)
 - ⇒ Japan and Cambodia cooperated to develop an environment where the Civil Code and the Code of Civil Procedure are implemented in an appropriate manner. (development of civil laws and regulations; development of sample forms of legal document related to civil procedure; disclosure of court decisions)
- Laos: Project for Promoting the Development and Strengthening of the Rule of Law in the Legal Sector (①)
 - ⇒ Japan and Laos develop human resources in the field of legal education, and build capacity of legal institutions to train legal experts.

Japan's initiatives with partners

● Private sector (2)

- November 2019, the United States' Overseas Private Investment Corporation (OPIC), Australia's Department of Foreign Affairs and Trade (DFAT), and the Japan Bank for International Cooperation (JBIC) announced the launch of Blue Dot Network which aims to provide certification for sustainable, high-quality, private sector-led infrastructure and to promote such projects.
- June 2019, JICA(Japan International Cooperation Agency) - AFD(French Development Agency) signed a Memorandum of Cooperation, aiming to facilitate a stronger partnership in order to contribute to better development projects in the Indo-Pacific region.
- November 2018, the Japan Bank for International Cooperation (JBIC), the United States' Overseas Private Investment Corporation (OPIC), Australia's Department of Foreign Affairs and Trade (DFAT) and the Export Finance and Insurance Corporation (Efic) signed a Memorandum of Understanding to catalyze Indo-Pacific investment projects that produce quality infrastructure, increase connectivity, and promote sustainable economic growth.
- October 2018, Japan and India welcomed the signing of a Memorandum of Understanding between Nippon Export and Investment Insurance(NEXI) and Export Credit Guarantee Corporation of India(ECGC).
 - ⇒ The two countries will work towards establishing an India-Japan Business Platform to enhance the exchanges between Indian and Japanese businesses toward developing industrial corridors and industrial network in the region.
- September 2018, JICA(Japan International Cooperation Agency) -OPIC(the United States' Overseas Private Investment Corporation) signed a Memorandum of Cooperation, providing a robust basis for cooperation, including the mobilization of the private sector through co-financing.
- November 2017, U.S. OPIC (Overseas Private Investment Corporation)/JBIC (Japan Bank for International Cooperation)-NEXI (Nippon Export and Investment Insurance) signed MOUs.
- Japanese and U.S. private companies are cooperating on concrete projects in the Indo-Pacific region, including:
 - The Jawa 1 Gas-to-Power Project in Indonesia, which JBIC and NEXI agreed to finance.
 - The LNG to Power project in Bangladesh, which is being coordinated by the Japanese and U.S. private sectors.
 - The Japan-Guam-Australia Fiber-Optic Submarine Cable System Project, which is being coordinated by Japanese and U.S. private sectors.