

PM KISHIDA'S VISION FOR BUILDING A NEW INTERNATIONAL ORDER FROM ASIA

AN EXCERPT

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On May 26, Prime Minister Kishida delivered a speech at a banquet for the 27th International Conference “Future of Asia” held in Tokyo. In the presence of national, political, economic, and academic leaders from the Asia-Pacific region, he advocated the need for a “new international order originating from Asia,” the center of the world economy.

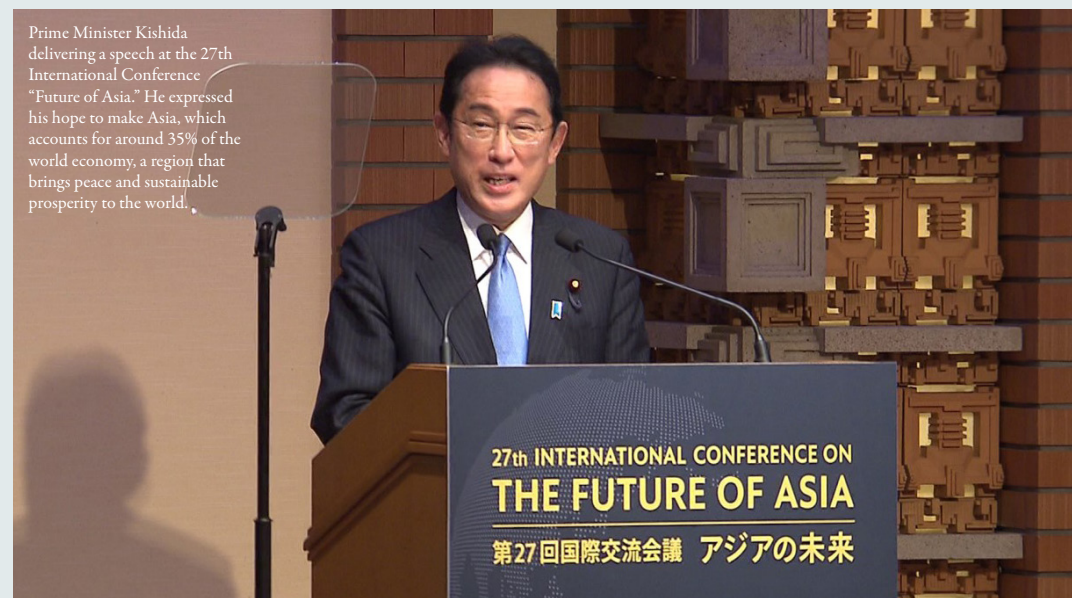
Today, I would like to explain my views on how Japan should approach this turbulent world and my thoughts on the future of Asia.

I regard the current international situation as having three layers. The first layer is diplomatic and security issues about which decisions and actions are made on a country-by-country basis. The second layer is trade and investment and the rules governing digital transactions, in which companies operating across borders play a major role. The third layer is the challenge of solving global issues such as infectious diseases and climate change, which are global in scale and common to all humankind. We will respond

to these three overlapping layers by clarifying priorities among them.

Our highest priority is the first layer. We will respond firmly to risks that run contrary to the foundations of the international order and universal values such as freedom and human rights. It is based on these priorities that we are strengthening our unity with the G7, bracing ourselves for the long-term costs of sanctions.

This issue is not a question of, “Do we side with the United States or with China?” but rather, “Do we protect universal values and the peaceful world order, or lose them?”



For the second layer, we need to take an assortment of webs of rules, such as the rules of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), Regional Comprehensive Economic Partnership (RCEP), bilateral Free Trade Agreements (FTAs), and Asia-Pacific Economic Cooperation (APEC), and accumulate them, overlaying one right atop of the other, and then another and yet another.

The Indo-Pacific Economic Framework for Prosperity, or “IPEF,” newly established this week, is one of those. The IPEF reaffirms the economic engagement of the US with the Indo-Pacific region even after its withdrawal from the Trans-Pacific Partnership (TPP). The IPEF is an ambitious initiative that aims to address 21st century issues, making use of a combination of rule-making, human resource cooperation, and infrastructure support.

To ensure that the IPEF becomes an inclusive and sustainable growth platform in the region, Japan will make its greatest possible contribution. Meanwhile, we will continue to persistently push for the return of the U.S. to the TPP.

The TPP, which would be accompanied by access to the huge market of the U.S., and the RCEP, paving the way to possible access to the enormous market of China, should coexist strategically.

For the third layer—the challenge of solving global issues—I believe that the creation of a cooperative system to address the common challenges of humanity will have the effect of mitigating any confrontation or “decoupling” that might arise at the first layer, the layer of security issues.

Based on these basic ideas, how should we envision the future of Asia? I will address this point next.

We now need a new international order originating from Asia. This is because Asia now accounts for around 35% of the world economy and is the fastest growing region in the world. Our actions in Asia will change the world.

The “future of Asia” is no longer just for Asia. I want to make this region a region that brings peace and sustainable prosperity to the world.

To this end, my vision is that the Indo-Pacific in the post-Cold War and post-COVID-19 period should be a free and open region, a sustainable and vigorously growing region, and a region that contributes to solving global problems.

When I think about the future of Asia, what I focus on the most is the relationship between Japan and ASEAN.

Next year, ASEAN and Japan will celebrate the 50th anniversary of our friendship and cooperation. We will work together with the members of ASEAN to set out a new direction for the relationship and a new vision for cooperation.

I will explain my vision for the region in detail. First and foremost, it is a free and open region.

“Ukraine might be the East Asia of tomorrow.”

In order to safeguard the peaceful world order and to achieve sustainable prosperity in the region, “no violation of sovereignty or territorial integrity, nor unilateral change of the status quo by force, shall be tolerated in any region.” This fundamental principle must be observed.

That is why I believe that in this region we should build a free and open order based on the rule of law, not on might.

The second part of my vision is that this is a sustainable and vigorously growing region.

I am advocating an economic policy of a “new form of capitalism.” The “new form of capitalism” is an effort to upgrade capitalism to meet the challenge from authoritarian regimes while addressing economic externalities.

The key is to view social issues not as obstacles, but to transform them into engines of growth. By attracting public and private investment to areas identified as challenges, we will solve social issues and grow robustly.

I would like to share this way of thinking with the people of Asia as we work together to overcome challenges and evolve Asia into a sustainable and vigorously growing region.

The third part of my vision for the region is being a region that contributes to solving global problems.

I believe that in the next generation, Asia, as the main engine of global economic growth and a hub of innovation, should actively contribute to solving the world’s problems.

Under this vision, Japan will work on four specific actions.

The first is the establishment of a free and open international order. Japan will continue to hold high the banner of a “free and open Indo-Pacific” in close cooperation with allies and like-minded countries that respect international law and the principles of the

international community and share universal values.

In realizing a “free and open Indo-Pacific,” Japan welcomes the active engagement of the United States in the Indo-Pacific. We are encouraged by President Biden’s commitment to the region reiterated at the recent Japan-US Summit and other occasions.

The Quad, comprising Japan, Australia, India, and the United States, is also important in promoting a free and open Indo-Pacific. Two days ago, we committed ourselves to advancing practical cooperation in a wide range of areas, including addressing COVID-19, infrastructure, and space, to bring benefits to the Indo-Pacific.

Our second goal is cooperation to protect the peaceful world order in the region.

During my recent visit to Southeast Asia, we made progress in concrete efforts, including the signing of a defense equipment and technology transfer agreement with Thailand and a decision to study the feasibility of providing patrol vessels to Indonesia. We will continue to build upon such practical cooperation.

We will broaden our scope to include promoting economic security, addressing cyber security, economic coercion and disinformation, and other recent issues facing the region, giving breadth and depth to our cooperation with other countries.

In addition, we will promote cooperation in areas where Japan has strengths, such as maritime security and disaster response. We will also take advantage of the new initiative on maritime domain awareness and the partnership in humanitarian assistance and disaster relief, which was confirmed at the Quad summit meeting.

Third is the revitalization of cross-border movement of people.



On May 23, 13 countries launched the Indo-Pacific Economic Framework (IPEF). President Biden of the United States, who hosted a summit-level meeting on its launch (photo), stated that the purpose of the framework is to work together to achieve sustainable and inclusive economic growth and to address regional challenges.

The free and active exchange among people is a foundation of our economy and society, as well as the foundation of Asian development.

From now on we will further relax our border measures.

Specifically, effective June 1, the total number of daily arrivals will be increased to 20,000, and countries with a record of low positive rates at the time of entry will be allowed to enter Japan without border testing for COVID-19.

Furthermore, following the ongoing demonstration project and the establishment of guidelines, we will resume accepting tourists on escorted package tours beginning June 10. At the same time, preparations will be made to resume international flights at New Chitose Airport and Naha Airport by the end of June.

In addition, with regard to countries and regions where infections have settled down, we have today lowered the level of Travel Advice and Warning on Infectious Diseases for Japanese citizens.

Fourth, we are strengthening relationships to overcome social challenges together.

Specifically, we will strengthen our relationship with Asia in the five pillars of (1) investment in innovation and start-ups, (2) strengthening supply chains, (3) investment in infrastructure to connect Asia, (4) realization of universal health coverage, and (5) the Asia Zero Emissions Community.

The first pillar is investment in innovation and startups.

I am particularly interested in initiatives by startups for cross-border collaborations.

Today, an increasing number of entrepreneurs with strong aspirations to solve social issues are beginning to emerge in Japan and ASEAN, boldly working to balance business and the resolution of social issues on the global stage.

We are working on a program that aims to create more than 100 collaborations between Japanese and ASEAN companies every year.

The second pillar is supply chain resilience. Japan and ASEAN have long been building multilayered supply chains. It is important that the public and private sectors continue to invest in maintaining and strengthening these supply chains.

We will also digitally connect the entire supply chain so that the goods and services we provide are stably supplied and it can be shown that they are reliable.

Japan will support at least 100 supply chain resilience projects over the next five years, and will develop the infrastructure for supply chain resilience based on new ideas, such as setting common rules to promote cross-border data sharing and collaboration.

Third is investment in infrastructure.

In order to improve regional connectivity and achieve integrated regional growth, we will continue to strengthen investment in quality infrastructure through ODA and other means. In addition, we will make concrete contributions to the development of soft infrastructure, including investments in people, institutional harmonization, and intellectual property cooperation.

We will work in cooperation with the wider international community, including the G7, the G20, and the Quad, and work to build the capacity of borrowers to ensure there is no unfair interference in the policy decisions of borrowing countries or that borrowing countries do not become increasingly destabilized as a result of development finance that fails to adhere to international rules and standards, such as unfair or opaque lending practices.

Fourth is the realization of universal health coverage, or UHC. Japan has been leading the way in realizing UHC, even ahead of the COVID-19 situation.

This month, it was decided to establish a secretariat for the ASEAN Center for Public Health Emergencies and Emerging Diseases in Thailand. Japan has pledged its full support for its establishment, contributing US\$50 million.

We will continue to actively contribute to the realization of UHC in Asia under the “Global Health Strategy” that Japan newly announced two days ago.

Fifth is the realization of an “Asia Zero Emissions Community.”

Like our country, many other Asian countries have set the goal of achieving carbon neutrality and are actively taking on this common challenge for humanity.

The important thing is to decarbonize in a way suitable for the realities of each country, while achieving sustainable economic growth. Of course, the stable supply of energy is a prerequisite.

Energy conditions vary from country to country. In comparison to Europe and Africa, Asia has low potential for renewable energy. In addition, it is estimated that the demand for electricity will increase by 2.5 times



Prime Minister Kishida visiting King Mongkut’s University of Technology Thonburi “kosen” in Bangkok, Thailand. He said in his speech that he was extremely impressed by two Thai students who explained their experiments to him in Japanese with technical terms.

over the next 30 years due to growth in the population and the economy.

The “Asia Zero Emissions Community Initiative” is a framework designed to help Asia decarbonize together while continuing to promote the introduction of renewable energy and energy conservation, while facing the reality of the situation in Asia. It will aim for the joint decarbonization of Asia through (1) promoting the joint demonstration of biomass, hydrogen, ammonia, CCUS, and other technologies for zero emissions in thermal power generation, (2) establish rules for an Asian version of transition finance, (3) establish standards for zero-emission technologies, and (4) utilize emission rights trading in Asia at large.

In Asia, Japanese companies have already started initiatives such as a demonstration of the construction of a supply chain for hydrogen supply in Singapore, studies on the realization of ammonia co-firing and mono-firing in Indonesia, and the transfer of knowledge and know-how on decarbonization from Japanese cities to Asian cities. In the future, we will expand these efforts to Asia at large.

We would like to join forces with other Asian countries to realize this community.

About a month ago, I visited a “kosen” in Bangkok.

A “kosen” is a unique higher education institution created by Japan to train engineers who can apply their skills.

In Thailand, there is “kosen” which was established with the support of Japan.

As is the case with “kosen,” Japan has long provided support for human resource development in order to cultivate human resources in the countries we support.

As a good neighbor and a good partner, we will work together with you all to pave the way for the future of Asia. That is our aim.

Japan is determined to do its utmost towards this end and actively fulfill its roles and responsibilities.

In closing, I would like to wish all the participants here today good health and continued growth in the future. ●