Navigating Japan-ASEAN Partnership for the Next 50 Years

The roots of ASEAN-Japan relations run deep, originating against the backdrop of post-war reconstruction and the complex geopolitics of the Cold War. Japan, in its quest for recovery following World War II, recognized the significance of fostering diplomatic and economic ties with its neighboring Southeast Asian nations. Simultaneously, ASEAN was emerging as a regional organization committed to promoting peace and stability in Southeast Asia. The official commencement of this partnership was marked by the Japan-ASEAN Forum on Synthetic Rubber in 1973.

"The 50-year journey can be encapsulated in one pivotal word: Empowering Solidarity. Beyond the tangible economic partnership, it is the intangible moral and emotional support that underscores the depth of the bond between Japan and ASEAN. For instance, during the Asian Financial Crisis of 1997-99, Japan extended vital economic assistance, exceeding $40 billion, showcasing its commitment to regional stability" explained **Dr. Kunihiko Hirabayashi, Secretary-General of the ASEAN-Japan Centre**. "In return, ASEAN countries provided support in the wake of the Great East Japan Earthquake in 2011" he added. The COVID-19 pandemic has further demonstrated the strength of this friendship, with collaborative



efforts on vaccine supply and economic recovery.

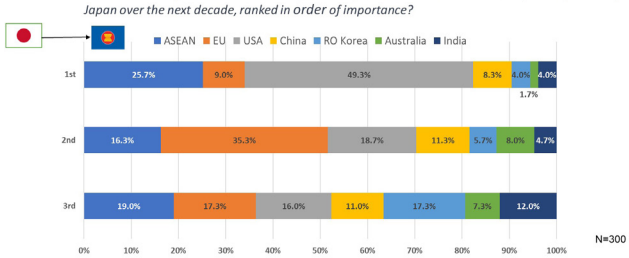
Growing Economic Interdependence

The economic ties between Japan and ASEAN have grown stronger over the years, leading to interdependence. According to ASEAN statistics in July 2023, Japan's direct overseas investment surged by 27.7% in 2022 from the year earlier, reaching $26.7 billion USD. This positions Japan as the second-largest source of investment among non-ASEAN partner countries, following the United States. This remarkable increase, a 17.6% rise from the pre-pandemic year of 2019, is propelled by Japan's strategic focus on diversifying its supply chain, with particular emphasis on pivotal sectors such as automobiles, electronics, medical equipment, and rare metals.

Furthermore, "the rapid expansion of the digital economy and the burgeoning middle class in ASEAN countries present new investment opportunities in retail, financial and insurance services, healthcare, tourism, innovative technologies, and service sectors" mentioned Dr. Hirabayashi.

January 2023 Survey*1 Finds Japanese Young People's View ASEAN as Japan's Second Most Important Partner for the Next Decade, Following U.S.A

Which are the top three countries or regions that you believe will be the most important partners for Japan over the next decade, ranked in order of importance?



*1: AJC's public opinion survey among Japanese young people (18-35) in January 2023

Promising Future Prospects

As we look to the future, the 50th anniversary of the ASEAN-Japan Friendship and Cooperation heralds a promising era. Dr. Hirabayashi highlights that the movement of people, goods, money, and information across borders is more active than ever before, with ASEAN now Japan's second-largest trading partner as of 2022. According to the online survey conducted by the ASEAN-Japan Centre in 2023, over 90% of young people (18-35 years) in the ASEAN Member States see positive relations between ASEAN and Japan, and Japanese young people also view ASEAN as Japan's second most important partner for the next decade, following the USA.

Moreover, both ASEAN and Japan are committed to the "ASEAN Outlook on the Indo-Pacific" (AOIP), which upholds key principles such as ASEAN's centrality, openness, inclusiveness, transparency, and respect for international law. "This commitment will deepen cooperation in areas like Maritime Cooperation, Connectivity, SDGs, and Economic Resilience. Bilateral economic partnership agreements and the ASEAN-Japan Comprehensive Economic Partnership (AJCEP) Agreement further facilitate economic exchanges" said Dr. Hirabayashi.

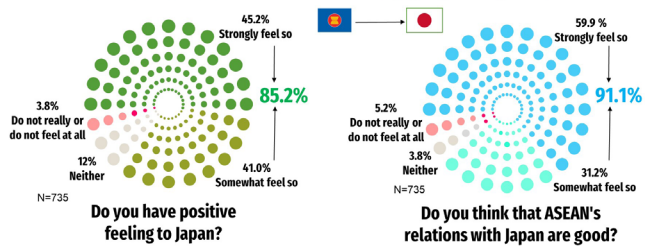
The Regional Comprehensive Economic Partnership (RCEP) Agreement, encompassing Japan and ASEAN, came into effect in January 2022, bolstering economic integration and cooperation.

A Unique Approach to Friendship

Japan's unique strength lies in its approach to partnership. Dr. Hirabayashi underscores Japan's commitment to understanding and respecting others' positions and ideas. Japan positions itself "side-by-side" with its ASEAN counterparts, actively collaborating to solve complex issues. "This trust-based approach is encapsulated in the ASEAN-Japan Economic Co-Creation Vision, which looks beyond "people to people" connections to nurturing a genuine "heart to heart" bond" added Dr. Hirabayashi.

As we celebrate this enduring partnership, the ASEAN-Japan Centre, under Dr. Hirabayashi's guidance, assumes a new role, dedicated to implementing activities that resonate with the needs of both parties, by tapping into the dynamism and passion of our young people. This friendship is a mutual journey of creating a shared future, and it stands as a testament to the power of cooperation and mutual understanding, promising a bright future for ASEAN and Japan in the decades to come. **aseanjapan50.jp/en/**

Majority of ASEAN Young People Admire Japan and Over 90% See Positive Relations Between ASEAN and Japan, Survey*2 Finds



*2: AJC's public opinion survey among ASEAN young people (18-35) in January 2023