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Dear friend of Japan,

Yesterday I was given the opportunity to address the National Press Club of Australia, a first for a Japanese ambassador to Australia. Entitled 'Japan and Australia: A Natural Partnership', I presented my speech followed by questions from the Australian media. The following is a brief summary, however please find the full text attached.

A lot has changed since my first posting to Canberra 34 years ago. What has struck me most is how close our two countries have grown. Our relationship has never been so robust and warm. I feel very fortunate to be Ambassador to Australia during a period of unprecedented strength in our bilateral relations. Japan and Australia are natural strategic partners, and our relationship is based on common values and strategic interests.

Japan and Australia have also reaffirmed their commitment to regional peace and security through alliances with the U.S. We have sustained peace and prosperity under a regional U.S.-security architecture. It is entirely natural therefore for Japan and Australia to strengthen cooperation with one another amid the rapidly changing security environment of Asia.

We also enjoy a long and strong history as trading partners. Australia became the first nation to trade with Japan after WWII. For Japan, Australia is a stable and reliable source of food, energy and mining products. For Australia, Japan has provided a huge market for Australian products, investment in the resource sector, and a supply source for industrial goods and products. Japan still retains its position as Australia's second largest trading partner.

There is a high level of affinity between the people of Japan and Australia, as demonstrated through the number people-to-people exchanges, such as the JET Programme, sister-city agreements, and large number of tourists each year.

Japan and Australia recently boosted political cooperation. The obvious factors are the visits made by our two leaders last year. As a result, bilateral relations have been described as entering “a new era” based on our strategic partnership.

Now, more than ever in the changing environment of the Asia-Pacific, Japan and Australia’s relationship—and more importantly our bilateral cooperation—are becoming more vital for the region. Japan and Australia agree it is vital to maintain the peace and stability of the Asia-Pacific to allow consistent and sustainable economic growth for the region. It is becoming more important that our countries work together to keep the existing rules-based order, and to develop new systems and create new rules for the region’s future. Given such challenges, I would like now to highlight some aspects that we should address together to help ensure regional peace and stability.

To maintain economic growth there must be peace and stability in the first place. Up until now, regional peace and stability has been maintained through close cooperation with the U.S. Both our countries have an alliance with the U.S., and we need to support the U.S.’s “rebalancing” policy and commit our efforts to the U.S.-based security system. In this context, it is natural for Japan and Australia to further promote bilateral security and defense cooperation.

The trilateral security framework between Japan, Australia and the U.S. is an important cooperative relationship, which has been strengthened through joint exercises and the Trilateral Strategic Dialogue. Both Japan and Australia need to further strengthen our trilateral security and defense cooperation with the U.S.

Japan is determined to promote and lead the world on disarmament and non-proliferation activities, and Japan and Australia can collaborate closely on this issue. Cooperation in maintaining a rules-based maritime order, achieving maritime security, and combatting terrorism are other areas that we can pursue together.

It is essential that new rules and standards on the economic front are put in place to further advance regional peace and prosperity. Japan and Australia are placing particular importance on achieving high-standard regional economic partnerships, such as the TPP. It will contribute greatly to the region as goods and investment move more freely, and new trade and investment regulations are put in place to help emerging economies in the region.

The Asia region requires an immense amount of development and financial resources for it to unleash its potential, and we must capitalise on this. Australia too has demonstrated an ambition to enhance growth potential by promoting infrastructure at the Brisbane G20. Both governments can further collaborate on infrastructure development. The demand for public transport infrastructure in Australia is expected to be immense, and I believe Japanese companies will be able to support Australia in catering for such demand. We can work together on the Pacific Islands to help develop these countries, where cooperative efforts by Japan and Australia have succeeded in Pacific Island and South East Asian countries.

In closing, Japan and Australia are natural strategic partners. Japan is Australia's closest friend in Asia, but there is room and a strong desire for further cooperation across a wider range of areas. Our shared wish to promote deeper mutual understanding and cooperation provides the bedrock from which we will continue to build our partnership.

Following my address, I welcomed questions from members of the Australian media. A significant number of questions were related to Australia's future submarines. In reply, I stated that the Government of Japan fully understands the terms in the Competitive Evaluation Process (CEP) and that maximisation of Australian industry involvement is one of the important requirements. At present, we are actively engaged in discussions with Australian companies as well as information gathering towards developing options for a package that will maximise Australian industry involvement without unduly compromising submarine capability, cost or schedule.

Following a visit in May, it is being planned for a Japanese delegation from the Ministry of Defense, Ministry of Economy, Trade and Industry, Mitsubishi Heavy Industries and Kawasaki Heavy Industries to visit Adelaide in late August and to have an "Industry Day" for delivering presentations and having an opportunity to engage in dialogue with Australian companies.

The Japanese Government is working on the future submarines' pre-concept design that will meet the requirements of Australia. Japan plans to transfer necessary technical information to the Australia Government for their internal review assuming that the Australian Government will treat the information appropriately.

Japan fully understands the importance of Australia's sovereignty over the operation, maintenance and sustainment of the submarines. Japan will sincerely consider a way for the appropriate transfer of technology, including intellectual property rights.

With regards to the location of construction, Australia's Department of Defence has been asking Japan to consider options for a "build in Australia", "build in Japan", and a "hybrid" model. Whichever location option is decided on, Australia itself is required to carry out maintenance and sustainment of the submarines which is a large part of their lifecycle, and therefore involvement of Australian industry is essential.

Yours sincerely,

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Sumio Kusaka

Ambassador of Japan to Australia

[Ambassador Kusaka's Address to the National Press Club of Australia](#)