

**TOKYO DECLARATION FOR
THE DYNAMIC AND ENDURING ASEAN-JAPAN PARTNERSHIP
IN THE NEW MILLENNIUM**

WE, the Heads of State/Government of Member Countries of the Association of Southeast Asian Nations (ASEAN), and Japan, gathered in Tokyo, Japan on 11 and 12 December 2003, for the ASEAN-Japan Commemorative Summit, note with deep satisfaction that our countries have fostered a close and cooperative relationship over the last thirty years, contributing to peace, stability, development and prosperity of the region;

INSPIRED by the significant progress made in the ASEAN-Japan relations, encompassing the political and security, economic, social and cultural, and development cooperation areas;

REAFFIRMING the principles which have guided our relations, which include partnership, shared ownership, mutual respect and benefits;

APPRECIATING the significant contribution of Japan to the economic development and prosperity of ASEAN Member Countries in the past three decades, in particular, Japan's Official Development Assistance (ODA) to ASEAN, which represented around 30% of Japan's total bilateral ODA in the past ten years and constituted the largest part of its ODA, reflecting the special importance that Japan has been attaching to ASEAN;

ACKNOWLEDGING the importance of the rich Asian traditions and values that will serve as the rallying point for our determined efforts to tap the opportunities and meet the challenges of the new millennium;

CONVINCED that the "heart-to-heart" understanding, nurtured among peoples of Southeast Asian countries and Japan and based on mutual trust and respect, has developed into the "acting together, advancing together" partnership which is the foundation for our future relations;

DETERMINED to continue the deepening and broadening of cooperation within ASEAN-Japan strategic partnership to ensure peace, stability and prosperity in the region;

RECALLING the Joint Statement of the Meeting of the ASEAN Heads of State/Government and the Prime Minister of Japan, Kuala Lumpur, 7 August 1977, and the Joint Statement of the Meeting of the Heads of State/Government of the Member States of ASEAN and the Prime Minister of Japan, Kuala Lumpur, 16 December 1997, which laid the groundwork for a comprehensive ASEAN-Japan cooperation and strengthened the resolve to further advance this partnership in the 21st Century;

CONSIDERING the Joint Declaration of the Leaders of ASEAN and Japan on the Comprehensive Economic Partnership signed in Phnom Penh on 5 November 2002 and the Framework for Comprehensive Economic Partnership between ASEAN and Japan signed in Bali on 8 October 2003 to minimise barriers and deepen economic linkages, lower business costs, increase intra-regional trade and investment, improve economic efficiency, create a larger market with greater opportunities and larger

economies of scale for the businesses of both ASEAN and Japan, and enhance our attractiveness to capital and talent;

TAKING NOTE of the Final Report with Recommendations towards Vision 2020: ASEAN-Japan Consultation Conference on the Ha Noi Plan of Action of October 2002 to facilitate the realisation of the ASEAN Vision 2020 and to promote dynamic and deeper ASEAN-Japan cooperation;

REITERATING full support for the implementation of the Declaration of ASEAN Concord II signed in Bali on 7 October 2003 leading to the formation of a more integrated ASEAN Community comprising the ASEAN Security Community, ASEAN Economic Community and ASEAN Socio-Cultural Community;

WELCOMING the Declaration on Accession to the Treaty of Amity and Cooperation in Southeast Asia by Japan, and the accession by other Dialogue Partners of ASEAN, which will further strengthen trust, peace, and stability in Southeast Asia;

REAFFIRMING that the ASEAN-Japan relationship is forward-looking and action-oriented in respect of advancing, intensifying and deepening the partnership and linkages with Dialogue Partners and the rest of the world for the common good of all;

HEREBY adopt the following:

1. Fundamental Principles and Values

- ASEAN and Japan will further deepen and broaden their relationship, natural economic complementarities, social and cultural affinities, including the desire for closer people-to-people contacts and exchanges;
- ASEAN and Japan will enhance their cooperation through closer consultation and adherence to the principles enshrined in the Charter of the United Nations and international law, and commend the purposes, principles and spirit of the Treaty of Amity and Cooperation in Southeast Asia, including respect for national sovereignty and territorial integrity, renunciation of threat or use of force, peaceful settlement of disputes, and non-interference;
- ASEAN and Japan will contribute to the creation of an East Asia region where countries and peoples can live in peace with one another and with the world at large in a just, democratic and harmonious environment;
- ASEAN and Japan will forge common visions and principles, including respect for the rule of law and justice, pursuit of openness, promotion and protection of human rights and fundamental freedoms of all peoples in accordance with the Charter of the United Nations, the Universal Declaration of Human Rights, and the Vienna Declaration and Programme of Action, promotion of mutual understanding for cultures and civilisations, and enhancement of mutual benefits of market economy;

- Japan, through its development assistance and support programmes, will give high priority to ASEAN's economic development and integration efforts as it strives to realise the ASEAN Community;
- ASEAN and Japan will collectively promote the development of regional and trans-regional frameworks, particularly the ASEAN Plus Three process, ASEAN Regional Forum (ARF), Asia Cooperation Dialogue (ACD), Asia-Pacific Economic Cooperation (APEC), Asia-Europe Meeting (ASEM), the Forum for East Asia-Latin America Cooperation (FEALAC) and sub-regional cooperation schemes in the Southeast Asian region; and
- ASEAN and Japan will address regional and global issues, keeping in mind their special relationship based on equality, mutual respect and mutual benefit.

2. Common Strategies for Action

ASEAN and Japan will harness their collective strengths to pursue expeditiously and substantively common strategies for joint action in the following areas:

(1) Reinforcing Comprehensive Economic Partnership and Monetary and Financial Cooperation

- Reinforce their economic partnership, by strengthening economic linkages and integration under the Joint Declaration of the Leaders of ASEAN and Japan on the Comprehensive Economic Partnership, noting the principle of reciprocity, transparency and mutual benefits;
- Undertake bilateral and regional initiatives under which any ASEAN Member Country and Japan can build a bilateral economic partnership while seeking to realise a Comprehensive Economic Partnership through the measures outlined in the Framework for Comprehensive Economic Partnership to be implemented by 2012, allowing special and differential treatment to the ASEAN Member Countries and taking into account the economic level and sensitive sectors in each ASEAN Member Country and Japan, including the extension of additional five years for completion by the new ASEAN Member Countries;
- Promote more opportunities for trade in goods and services such as through opening and enlarging markets, progressively eliminating non-tariff barriers including technical barriers to trade, enabling economies of scale for industries, and enhancing cooperation in standards and conformance and mutual recognition arrangements;
- Create a transparent and liberal investment regime through the enhancement of trade-related investment procedures and trade and investment promotion and facilitation measures, conduct of trade and investment policy and business dialogues, improvement of the business environment, facilitation of mobility of business people and skilled labour, cooperation in standards and conformance, and other measures to enhance economic linkages;

- Foster and strengthen financial and monetary cooperation such as capital market development, capital account liberalisation, and currency cooperation;
- Forge cooperation in wide-ranging areas of mutual benefit, particularly in science and technology, including research and development, industrial and tourism sectors and the transport sector, including ensuring safe and efficient transport networks;
- Cooperate in expanding and deepening information and communications networks and flows in Asia through realising mutually beneficial information and communications technology cooperation programmes; and
- Work together on programmes for enhancing the capacity of small and medium enterprises (SMEs) in ASEAN to capitalise on the market access for trade in goods, services and investment and to expand business opportunities of SMEs.

(2) Consolidating the Foundation for Economic Development and Prosperity

- Work together to consolidate the foundation for economic development and prosperity. Japan will continue to give priority to ASEAN Member Countries in its ODA programmes by actively extending assistance to them in response to their actual needs. Given the new challenges facing ASEAN Member Countries, Japan will especially enhance its cooperation in human resource development and related areas to address major issues where Japan's cooperation produces tangible results;
- Strengthen cooperation and support the realisation of ASEAN integration goals by implementing projects, particularly those under the Initiative for ASEAN Integration (IAI);
- Strengthen efforts to support ASEAN's integration by enhancing regional and sub-regional development including in the Mekong region and Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA) to promote economic and social development, sharpen the competitive edge of ASEAN and improve standards of living;
- Enhance support and cooperation in developing the Mekong region to narrow the gaps between the new Member Countries and the other Member Countries of ASEAN based on the common view that development will contribute to reinforcing regional integration, and lead to self-sustaining economic growth through the integrated approach of economic cooperation and promotion of trade and investment with due consideration to environmental conservation;
- Continue expanding and deepening cooperation in capacity building, particularly in human resource development, developing and strengthening ASEAN institutions, enhancing public health and social security, and imparting skills and management know-how;
- Promote infrastructure development, and strengthen industrial bases and the transfer of expertise and technologies;

- Promote joint efforts for research and development, develop modalities for sharing advanced research and promote intellectual exchanges, to strengthen the economic partnership and cooperation in technology development; and
- Enhance cooperation in energy security, food security and food safety.

(3) Strengthening Political and Security Cooperation and Partnership

- Enhance political and security cooperation and partnership at all levels in order to consolidate peace in the region, and work together towards peaceful settlement of disputes in the region bilaterally and through the ARF and other regional and international fora;
- Enhance cooperation in the areas of counter-terrorism, anti-piracy and in combating other transnational crimes through the ARF, ASEAN Plus Three process, ASEAN Ministerial Meeting on Transnational Crime Plus Three as well as other regional and international fora; and
- Enhance cooperation in the areas of disarmament and non-proliferation of weapons of mass destruction and their means of delivery, and related materials.

(4) Facilitating and Promoting Exchange of People and Human Resource Development

- Foster a sense of togetherness based on mutual trust, respect and understanding of each other's traditions and values among the younger generation and future leaders thereby creating caring societies where people-to-people contact will flourish and human capital can be further developed; and
- Support the aspirations and cooperative spirit of youths by reinforcing partnerships and mutual assistance in education and human resource development, through networking among research institutes, universities and other educational institutions and by promoting youth exchanges to enhance people-to-people interactions.

(5) Enhancing Cooperation in Culture and Public Relations

- Cooperate in identifying and preserving cultural heritage, both tangible and intangible, and in transmitting the cultural values and norms and the rich heritage to their future generations, to instil pride in East Asia; and
- Promote awareness and understanding of ASEAN and Japan and their standing in the international community through cooperation among public information agencies, media and others, and through harnessing greater use of information and communications technology in disseminating information about ASEAN and Japan effectively.

(6) Deepening East Asia Cooperation for an East Asian Community

- Recognise that the ASEAN Plus Three process as an important channel to promote cooperation and regional economic integration networks in East Asia to attain the goals of sustainable development and common prosperity; and
- Seek to build an East Asian community which is outward looking, endowed with the exuberance of creativity and vitality and with the shared spirit of mutual understanding and upholding Asian traditions and values, while respecting universal rules and principles.

(7) Cooperation in Addressing Global Issues

- Cooperate actively, in addressing global issues, such as the fight against terrorism, intensifying disarmament and non-proliferation of weapons of mass destruction and their means of delivery, enhancing cooperation in United Nations peace-keeping operations, promoting rule-based international frameworks, strengthening the United Nations, reinforcing the multilateral trading system through the World Trade Organisation (WTO), alleviating poverty and narrowing economic disparity, protecting the environment, promoting disaster reductions, combating people smuggling and trafficking in persons, combating infectious diseases, enhancing human security and promoting South-South cooperation, taking into account the strong interconnections among political, economic and social realities and accepting the concept of comprehensive security as having broad political, economic, social and cultural aspects.

3. Institutional and Funding Arrangements for the Implementation of the Declaration

- ASEAN and Japan will implement concrete activities and flagship projects in realising the purposes of this Declaration based on the attached Plan of Action;
- ASEAN and Japan will strengthen the existing funding mechanisms for effective coordination and implementation of this Declaration and the Plan of Action;
- ASEAN and Japan are committed to providing requisite resources in accordance with their respective capacity including mutually exploring effective and innovative resource mobilisation to accomplish the various strategies and measures outlined in the Plan of Action;
- The progress made in the implementation of the Declaration and the Plan of Action will be reviewed by the meeting of the Foreign Ministers of ASEAN and Japan and reported to the annual ASEAN-Japan Summit; and
- The Plan of Action will be reviewed periodically taking into consideration the dynamic developments in the region and in the world.

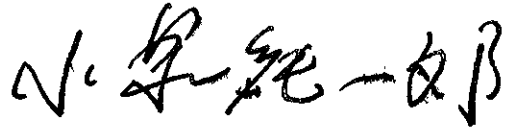
SIGNED in Tokyo, Japan, this Twelfth Day of December in the Year Two Thousand and Three in two originals in the English language.

For Brunei Darussalam



HAJI HASSANAL BOLKIAH
Sultan of Brunei Darussalam

For Japan



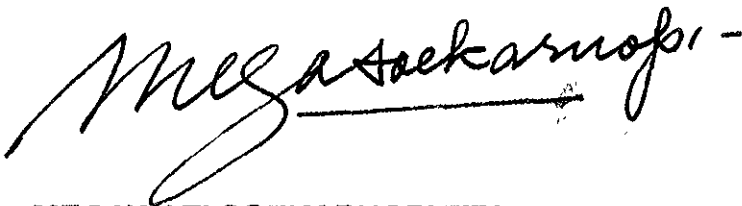
JUNICHIRO KOIZUMI
Prime Minister

For the Kingdom of Cambodia



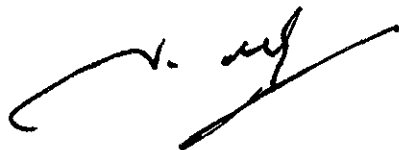
HUN SEN
Prime Minister

For the Republic of Indonesia



MEGAWATI SOEKARNOPUTRI
President

For the Lao People's Democratic Republic



BOUNNHANG VORACHITH
Prime Minister

For Malaysia



ABDULLAH AHMAD BADAWI
Prime Minister

For the Union of Myanmar



GENERAL KHIN NYUNT
Prime Minister

For the Republic of the Philippines



GLORIA MACAPAGAL-ARROYO
President

For the Republic of Singapore



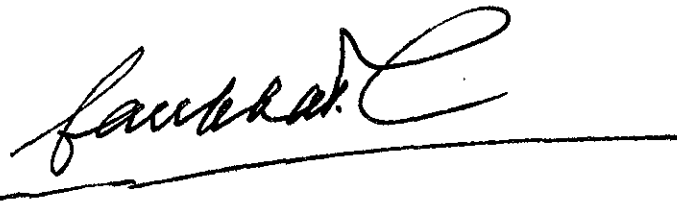
GOH CHOK TONG
Prime Minister

For the Kingdom of Thailand



DR. THAKSIN SHINAWATRA
Prime Minister

For the Socialist Republic of Viet Nam



PHAN VAN KHAI
Prime Minister

THE ASEAN-JAPAN PLAN OF ACTION

The Association of Southeast Asian Nations (ASEAN) has been making efforts to enhance its economic competitiveness by sustaining economic growth and strengthening regional integration while at the same time expanding and deepening economic interdependence outside the region. Economic interdependence between ASEAN and Japan has been steadily increasing, making ASEAN Japan's second largest trade partner. Private direct investment from Japan to ASEAN Member Countries over the past ten years has reached a substantial level further demonstrating the close economic linkages between ASEAN countries and Japan. Japan has assisted the economic and social development of ASEAN Member Countries by providing bilateral Official Development Assistance (ODA), thereby contributing to the peace, stability and prosperity in the region. Japan also attaches special importance to ASEAN Member Countries and has deeply committed itself to forging stronger relations with the ASEAN region through its ODA and by promoting trade and investment, building on the achievements made so far.

In this respect, Japan will place emphasis on the following areas in cooperation with ASEAN:

- a. Cooperation for reinforcing integration of ASEAN
(Narrowing the gaps through, inter alia, the Initiative for ASEAN Integration (IAI), the Mekong region development, Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA), and Economic Cooperation Strategy among Cambodia, Lao PDR, Myanmar and Thailand, as well as improving economic infrastructure);
- b. Cooperation for enhancing economic competitiveness of ASEAN Member Countries including investment promotion
(Forging economic partnerships as well as promoting education, human resource development and institutional capacity building); and
- c. Cooperation for addressing terrorism, piracy and other transnational issues
(Enhancing cooperation in the areas, including human and institutional capacity building for law enforcement agencies).

Human resource development is a prerequisite for making progress in any of those 3 areas. In consultation and coordination with ASEAN Member Countries, Japan will enhance support for human resource development through technical cooperation by the Japan International Cooperation Agency (JICA), the Association for Overseas Technical Scholarship (AOTS), the Japan Overseas

Development Corporation (JODC) etc., grant aid and yen loans by the Japan Bank for International Cooperation (JBIC) as well as scholarship programmes, especially in the following 7 major issues under "Japan-ASEAN Total Plan for Human Resource Development": policy making and public administration; industry and energy; education; global issues (environment, infectious diseases); community empowerment; minimising regional disparity (south-south cooperation); and information and communication technology (ICT).

In response to actual needs, Japan's cooperation covering those issues in human resource development and relevant areas over the next three years for ASEAN Member Countries is expected to exceed US\$ 1.5 billion, with various human exchange programmes involving approximately 40,000 people.

Given the above background and pursuant to the signing of the Tokyo Declaration for the Dynamic and Enduring ASEAN-Japan Partnership in the New Millennium in Tokyo on the occasion of the ASEAN-Japan Commemorative Summit on 11-12 December 2003, the Heads of State/Government of ASEAN and Japan have adopted the following joint actions and measures:

I. Common Strategies for Actions

A. Reinforcing Comprehensive Economic Partnership and Financial and Monetary Cooperation

1. Bilateral and Regional Initiatives

- a. Expedite the realisation of the bilateral Economic Partnership Agreements (EPAs);
- b. Implement the following measures, outlined in the Framework for Comprehensive Economic Partnership between ASEAN and Japan signed in Bali, Indonesia on 8 October 2003, with the first measure being implemented immediately, and start consultation on the next two measures beginning 2004:
 - measures delivering immediate and mutual benefits including technical assistance and capacity building to ASEAN, particularly to the new ASEAN Member Countries, trade and investment promotion and facilitation, trade and investment policy dialogue, business sector dialogue, facilitation of the mobility of business people, exchange and compilation of relevant data such as customs tariff and bilateral trade statistics, and others;
 - facilitation and cooperation in areas of trade-related procedures, business environment, investment, intellectual property rights,

energy, information and communication technology (ICT), human resource development, small and medium enterprises (SMEs), tourism and hospitality, transportation and logistics, standards and conformance and mutual recognition arrangement, and other possible technical cooperation projects, including environment, automobile, bio-technology, science and technology, sustainable forest management, competition policy, food security and financial services cooperation; and

- liberalisation of trade in goods and services, and investment, by discussing basic principles of ASEAN-Japan cumulative rules of origin and customs classification and collecting and analysing trade and customs data.
- c. Make maximum efforts to commence the negotiation on the CEP Agreement between ASEAN and Japan as a whole from the beginning of 2005, taking into account the achievements of bilateral negotiations between each ASEAN Member country and Japan and the further progress of the ASEAN integration process. ASEAN and Japan will endeavour to conclude the negotiation as soon as possible, taking into account the need to leave sufficient time for implementation;
 - d. Implement measures for the realisation of the ASEAN-Japan CEP, including elements of a possible free trade area, as soon as possible by 2012, taking into account the economic levels and sensitive sectors in each country, including allowing additional five years' time for the newer ASEAN Member Countries;
 - e. Hold a series of seminars/workshops funded by the ASEAN-Japan Centre with participation from the governments and private sectors including trade and industry associations to facilitate investment and resolve possible investment issues;
 - f. Conduct a survey funded by the ASEAN-Japan Centre in cooperation with ASEAN trade promotion agencies to explore opportunities for further opening and enlarging Japan's market for ASEAN export;
 - g. Provide macroeconomic policy support for socio-economic development in Lao PDR (Phase II) and economic policy support in Indonesia and Cambodia, and to other ASEAN Member Countries seeking assistance; and
 - h. Encourage more exchanges between Japanese economic organisations, including Nippon Keidanren (Japan Business

Federation), the Japan Chamber of Commerce and Industry and Keizai Doyukai (Japan Association of Corporate Executives), and their counterpart organisations in ASEAN Member Countries.

2. Financial and Monetary Cooperation

- a. Intensify efforts to complete the network of Bilateral Swap Arrangements (BSA) under the Chiang Mai Initiative within the framework of ASEAN Plus Three Finance Ministers Meeting, as well as to promote further study on strengthening regional financial cooperation to prevent recurrence of currency and financial crisis in the region;
- b. Continue support for the Asian Bond Markets Development Initiative, as part of strengthening Asia's own international financial architecture, to ensure full regional economic recovery, promote the adoption of best practices in Asia's capital market development and encourage ASEAN Member Countries and Japan to adopt new modalities to better utilise regional resources;
- c. Strive to create a more balanced financial infrastructure and support the issuance of Asian currencies denominated bonds to facilitate the flow of funds within the region;
- d. Enhance efforts to develop regional bond markets through which high savings in the region will directly finance long-term investments for sustainable development of ASEAN Member Countries. To this end, Japan will provide concrete support through various assistances, both directly and through relevant organisations such as the Asian Development Bank (ADB) and the ASEAN Secretariat to ASEAN Member Countries as needed;
- e. Japan will facilitate the development of regional bond markets by utilising the various functions of relevant Japanese entities such as JBIC as well as the Nippon Export and Investment Insurance (NEXI) to help facilitate the process of issuing and providing guarantee for local currency denominated bonds;
- f. Strengthen partnership between NEXI and ASEAN export credit agencies (ECAs) through exploring re-insurance facilities and enhance human resource development in the field of export credit; and
- g. Continue the exchange of information, networking, and cooperation in trade financing between JBIC and ASEAN export credit agencies.

3. Customs Procedures

Cooperate in facilitating trade by promoting simplification of customs procedures by making use of information and communications technology and harmonising customs procedures as far as possible to relevant international standards. Strengthen cooperation and dialogue for the development of technical assistance projects supported by Japan.

4. Cooperation in Intellectual Property Right

Cooperate in developing intellectual property right (IPR) human resources in both government and private sectors, Japan will support ASEAN Member Countries in developing, improving, enhancing and implementing their IPR capabilities, and in promoting accession to IPR-related international agreements. Cooperation between Japan and ASEAN, such as information exchange, will also be encouraged.

5. Development of Standards and Conformance

Collaborate in developing human resources in both government and private sectors in product standards such as safety of electrical equipment to support the development and coherence of standards and conformance of each ASEAN Member Country.

6. Competition Policy

Exchange views and share experiences, information and best practices to identify the capacity building needs of ASEAN Member Countries on competition policy for the development of technical cooperation projects supported by Japan.

7. Small and Medium Enterprises

Undertake efforts to develop long-term capacity building and to improve the management of SMEs through management consultancy, provision of training in entrepreneurship development, fostering enterprise clustering and networking among SMEs and increasing SME capabilities in new information and communications technologies and e-commerce potential.

8. Automobile and Auto Parts Industry

Cooperate in the field of automobile industry through government and business dialogue, studying current situation, dispatching roving experts, and sharing Japan's experiences and best practices in order to strengthen competitiveness of ASEAN automobile industry and promote the integration of ASEAN automobile market.

9. Cooperation on Transportation

- a. Implement the 16 joint projects and their work plans for 2003 -2004 as agreed at the *First Meeting of ASEAN and Japan Transport Ministers* on 25 October 2003 including the ASEAN-Japan Maritime Transport Security Programme, Transport Logistics Project and Transport Policy Officials Training in Japan;
- b. Formulate and implement other projects on facilitating or improving cargo, transportation infrastructure and logistics to reduce the costs of shipping goods, increasing efficiency of land transportation services, enhancing safety and efficiency in air and maritime transport, and advancing cooperation by mutual exchange of information, experience and best practices; and
- c. Formulate and implement plans to improve logistics, including the human resource capacity in the logistics sector, especially in the facilitation of distribution of materials.

10. Tourism

- a. Work together to promote the development of tourism, among others, through joint promotion activities; and
- b. Conduct seminars and workshops, administered by the ASEAN-Japan Centre, in the respective ASEAN Member Countries to train travel industry personnel and other service providers in handling Japanese visitors.

11. Mobility of Skilled Labour and Business People

Hold seminars on immigration control administration to look into ways and means to facilitate the mobility of skilled labour and business people.

12. Information and Communication Technology

- a. Intensify cooperation in information and communication technology (ICT) by drawing up medium-term and long-term plans for ASEAN to develop and upgrade Asia's capacity in ICT and to make Asia a global hub in ICT;
- b. Expand the information flow within Asia, making the region an "information hub" of the world. Recognising the importance of developing the network infrastructure for broadband, facilitating human resource development of ICT, promoting e-commerce and supporting other social and economic activities using ICT, realise the

following measures through initiatives such as the "Asia IT Initiative" and the "Asia Broadband Program":

- Taking into consideration benefits of Internet Protocol (IP), wireless technologies, take measures to further develop network infrastructures for broadband to be realised through Japan's support in building domestic and international infrastructure;
- Promote joint R&D and standardisation activities on network infrastructure;
- Take measures to further diffuse broadband with the efforts to ensure the security of networks as well as to share know-how on transition to the latest development of Internet Protocol version that is compatible to the system operated within ASEAN and Japan. Such diffusion of broadband will also be realised through Japan's support for ASEAN's efforts in developing e-Government, e-Learning and other applications through efforts of both sides in developing multi-language translation technologies, in archiving content reflecting Asian cultural heritages and in dialogues regarding ICT policies and regulations;
- Promote professional exchange, capacity building and HRD programmes to upgrade the skills and knowledge of ASEAN ICT professionals and technicians particularly in the areas of new and advanced ICT technologies and creative multimedia; and
- Promote standardisation of ICT applications such as e-Learning, and develop legal infrastructures related to e-Commerce.

13. ASEAN-Japan Centre

Initiate consultations for the reform of the ASEAN-Japan Centre to strengthen its functions, and widen and deepen its scope of activities, including mutual cooperation in the industrial sector, tourism and SME activities. Continue existing programmes which have proven to be useful such as investment seminars and familiarisation programmes.

B. Consolidating the Foundation for Economic Development and Prosperity

1. Initiative for ASEAN Integration (IAI)

Strengthen support for the realisation of IAI and other regional and sub-regional endeavours to narrow the development gaps in ASEAN to expedite regional integration. In this regard, Japan will take the following measures:

- a. Continue its support for the implementation of HRD projects and other IAI projects in areas such as hardware and software infrastructure development, ICT and regional economic integration, in addition to the support by the ASEAN-Japan Solidarity Fund for IAI projects on HRD;
- b. Utilise the technical cooperation schemes of the Japan International Cooperation Agency (JICA), particularly the third country training programmes, to assist Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV countries);
- c. Hold seminars on enhancement of HRD system for the CLMV countries in collaboration with the Philippines, Indonesia, Thailand, and Malaysia from Fiscal Year 2004;
- d. Continue to conduct in-country training courses for the CLMV countries in collaboration with Singapore;
- e. Extend support to ASEAN for programmes on labour management relations; and
- f. Support ASEAN's initiative to hold ASEAN Governors Conferences to provide platforms for poor provinces and cities of ASEAN to share their best practices on poverty alleviation and mobilise resources for the implementation of poverty alleviation programmes.

2. Mekong Region Development

Jointly take the following actions to develop the Mekong region comprehensively:

- a. Japan will enhance its economic cooperation in developing the Mekong region, including supporting existing projects identified for cooperation such as the 11 flagship programmes under the Greater Mekong Sub-region (GMS) Programme for example the East-West Economic Corridor and the Second East-West Corridor, improvement of such transportation infrastructures as roads, bridges, ports and railways, cooperation on electricity sector, ICT and water resource management, and the Mekong Institute's human resource development and other activities. Japan's cooperation for appropriate projects with effective impact on the regional development is expected to reach approximately US\$ 1.5 billion over the coming three years. Further, Japan will send missions for policy dialogue with concerned countries and organisations for more effective cooperation and to specify priority areas of cooperation;

- b. Japan and ASEAN will promote the trade and investment activities of the private sector of Japan and the region by, inter alia:
- actively utilising overseas investment loans managed by JBIC to stimulate private investment to the region and to the new ASEAN Member Countries in particular;
 - providing a reliable trade insurance system;
 - implementing education programmes to nurture entrepreneurs, seminars to strengthen human resource development, and training courses to study skills and know-how on international business in the new ASEAN Member Countries;
 - assisting the national chambers of commerce in the new ASEAN Member Countries to strengthen their capacity to support local companies;
 - networking and facilitating the flow of information in the region by utilising ICT; and
 - developing bond markets in the region.
- c. Japan will support the efforts of the new ASEAN Member Countries on economic integration, and assist them in harmonising institutions and standards, and facilitating movement of goods and persons; and
- d. Japan and ASEAN will enhance the cooperation in supporting ASEAN Member Countries' initiatives such as the IAI and the Economic Cooperation Strategy. Both sides will also strengthen coordination with the Asian Development Bank and its Greater Mekong Sub-region (GMS) Programme, as well as such organisations as the Mekong River Commission, UNESCAP, the World Bank, and non-governmental organisations.

3. Brunei-Indonesia-Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA)

- a. Assist the BIMP-EAGA member countries in developing the East ASEAN Growth Area, in cooperation with other parties, as part of efforts for regional integration, by jointly promoting and enhancing the Growth Area's tourism, transportation, and agro-industry sectors particularly in the areas of HRD and physical infrastructure and trade and investment promotion:
- b. Work together in promoting the development of land, air and sea linkages in the BIMP-EAGA sub-region to encourage people-to-people contacts and the flow of goods and services; and
- c. Send missions from Japan to BIMP-EAGA countries for consultation on identifying specific areas of cooperation to help in the

development of the Growth Area with a view to formulating feasible joint projects.

4. Economic Cooperation Strategy among Cambodia, Lao PDR, Myanmar and Thailand

Render support to the Economic Cooperation Strategy among Cambodia, Lao PDR, Myanmar and Thailand.

5. Initiative for Development in East Asia (IDEA)

Make efforts to follow up on the decisions and initiatives of the First Ministerial Meeting of IDEA and hold workshops as recommended by the IDEA Fukuoka Symposium on 30 August 2003, with a view to building an approach to develop the East Asia region.

6. Human Resource Development in Health and Social Welfare Services

Promote and build, for the longer-term, a partnership in developing human resources in the health and social welfare services sectors by holding regular meetings to exchange views, information, experiences, and best practices and formulating and implementing joint projects such as the organisation of training courses.

7. Industrial Human Resource Development

- a. Cooperate in developing highly skilled human resources (engineers, middle-level managers) in areas such as occupational safety and health, ICT, automobile, electrical appliances and electronics fields, and others through technical cooperation and other schemes;
- b. Implement model projects to enhance the traceability of distributed goods and hold seminars to disseminate the know-how and information from the model projects to local organisations in ASEAN; and
- c. Cooperate in developing infrastructure, including transportation networks for efficient logistics distribution by using yen loans, other ODA schemes or private finance.

8. Promotion of Trade and Facilitation of Foreign Direct Investment

- a. Promote foreign direct investment by Japanese corporations in ASEAN Member Countries including by facilitating them to tap the

local markets with local currencies, leading to an increase of production capacity in Member Countries and to the expansion of intra-regional trade;

- b. Cooperate in dispatching to the CLMV countries investment study missions consisting of member companies of Japanese chambers of commerce in ASEAN Member Countries as well as potential ASEAN companies with an interest in the CLMV countries; and
- c. Promote Japanese enterprises' investment activities in ASEAN Member Countries through providing overseas investment loans by JBIC.

9. Skills and Management Know-how

- a. Develop and implement entrepreneurship education programmes for local business people and entrepreneurs in the CLMV countries targeting at implementing model projects of education for the development and modification of product development, productivity improvement and business management, and recommend an education programme suitable for the local community;
- b. Hold training courses for local business people in the CLMV countries to study skills and know-how on international business issues, including trade-related procedures, trade finance and marketing; and
- c. Dispatch roving experts to national chambers of commerce in the CLMV countries and strengthen their capacity of helping local companies to do international business by providing necessary information such as trade procedures and marketing.

10. Human Resource Development in Science & Technology

Develop human resources in the area of science and technology by among other measures holding of joint seminars, and encouraging joint researches, and exchange of views, information, experiences and best practices.

11. Energy Cooperation

- a. Develop energy policy dialogue and support ongoing capacity building programmes under ASEAN-Japan cooperation such as the Energy Supply Security Planning in the ASEAN (ESSPA) and the Promotion of Energy Efficiency and Conservation (PROMEEC) to enhance energy security in East Asia; and

- b. Cooperate in developing infrastructure, including energy facilities such as power stations, oil and gas pipeline network by using concessional loans, other schemes or private finance.

12. Human Resource Development in Agriculture

Develop human resources in the area of agriculture by providing opportunities for ASEAN young farmers to learn techniques, management and farm working ethics by working and hands-on-learning with Japanese farm families.

13. Food Security

Support the early establishment of the East Asia Emergency Rice Reserve System under the ASEAN Plus Three Agriculture and Forestry Ministers Meeting and the ASEAN Food Security Information System project to ensure price stability of the commodities, promote the well-being of ASEAN farmers and food security in the region.

14. Food Safety

Pursue consultation with a view to developing close cooperation in food safety.

C. Strengthening Political and Security Cooperation and Partnership

1. Japan will accede to the Treaty of Amity and Cooperation in Southeast Asia to promote perpetual peace, everlasting amity and cooperation;
2. Consider the recommendations of the ASEAN-Japan Security Symposium held in Tokyo in October 2003 and other decisions, initiatives and measures taken to strengthen political and security cooperation at the ASEAN-Japan Forum and the ASEAN-Japan Post Ministerial Conference. In order to support the SOM in their deliberations, ASEAN and Japan will establish a Track II network of officials and representatives of strategic and international studies institutions and will set up in 2004 a team of experts from ASEAN and Japan to study further and recommend measures;
3. Promote close consultations among defence and security officials and continue exchange programmes and joint researches;
4. Work closely to further strengthen the ASEAN Regional Forum (ARF) to promote peace and stability in the region;

5. Cooperate closely through various action-oriented measures, including the participation of the civil society, in opposing the proliferation of weapons of mass destruction, in adopting and enforcing effective export controls and on disarmament issues with the objective of total elimination of all weapons of mass destruction including nuclear weapons;
6. Continue to cooperate closely in the fight against terrorism by supporting and ensuring the early conclusion and implementation of all relevant counter-terrorism conventions and protocols, and the full implementation of UN Security Council resolutions on counter-terrorism including Resolution 1373. Launching a joint meeting on counter-terrorism, supporting the activities of the South-East Asia Regional Centre for Counter-Terrorism in Malaysia, and providing training to law enforcement officials from ASEAN Member Countries as part of a capacity building programme against terrorism will be the other activities to be pursued;
7. Cooperate in combating transnational crimes through the existing mechanisms such as the ASEAN Ministerial Meeting on Transnational Crime Plus Three and welcome the Agreement on Information Exchange and Establishment of Communication Procedures;
8. Intensify efforts to combat people smuggling and trafficking in persons by enhancing their focus on tackling the root causes of such crimes and developing more effective information sharing arrangements;
9. Japan will continue receiving trainees from ASEAN Member Countries in the fields of law enforcement, immigration and aviation security, and to extend support to ASEAN Member Countries to enhance their capacity to combat terrorism;
10. Japan will strengthen bilateral as well as multilateral cooperation and assistance through the United Nations and other sources to assist ASEAN countries especially in the Golden Triangle in an effort to address the illicit drug problem in the region;
11. Welcome the completion of the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia; and
12. Promote cooperation among coast guards and competent authorities; through, among other, measures conducting training exercises in combating piracy and preventing and curbing transnational organised crimes such as illicit drug and human trafficking and developing a network of coast guards and competent authorities thereby contributing to the maintenance of peace and order in the region. Japan will support capacity

building and provide possible hardware for the coast guards or competent authorities of ASEAN Member Countries and expand the existing consultation mechanism to exchange views and strengthen maritime security between coast guards and competent authorities.

D. Promoting Human Resource Development, Exchanges and Social and Cultural Cooperation

1. Human Resource Development in Education

- a. Cooperate in expanding access to basic education and improving the quality of education through ODA and other schemes, recognising that basic education is the foundation of nation building;
- b. Promote human resource development in science and technology, engineering and business management through the ASEAN University Network/Southeast Asia Engineering Education Development Network (AUN/SEED-NET) and by establishing centres of excellence such as the proposed Malaysia-Japan International University of Technology in Malaysia;
- c. Japan will continue to support ASEAN students to study in Japan through fellowships/scholarships and encourage Japanese students to also study in ASEAN Member Countries;
- d. Promote Southeast Asian studies, including Southeast Asian languages, in various universities and other educational institutions in Japan and establish networking among the universities in the region dedicated to Southeast Asian studies;
- e. Promote training and exchange programmes for ASEAN and Japan civil service officers including foreign service officers;
- f. Japan will establish Human Resource Development Centres in all of the CLMV countries to, among others, provide business education and Japanese language training; provide equipment; dispatch experts, Japan Overseas Cooperation Volunteers and Senior Volunteers to the Centres to conduct courses;
- g. Japan will provide teaching materials and equipment, dispatching experts of Japanese language, and inviting Japanese language teachers from ASEAN for the training programme in Japan supported by various schemes of the Japan Foundation;

- h. Japan will dispatch a project formulation mission to ASEAN to study opportunities for e-Learning using broadband internet connectivity at the Human Resource Development Centres to be established in the CLMV countries. The realisation of this e-Learning project could be conducted jointly by the ASEAN Member Countries and Japan;
- i. Japan will continue to provide students in ASEAN Member Countries with all pertinent information on entry into Japanese universities. Japan will continue to hold the Examination for Japanese University Admission for International Students in ASEAN Member Countries to facilitate admission into Japanese universities in their home countries;
- j. Encourage credit transfers among their higher educational institutions; and
- k. Develop further educational exchanges under the AUN and the Universities Mobility in Asia and the Pacific (UMAP) initiative.

2. Youth Exchanges

- a. Japan will host 10,000 ASEAN youths, including students through various exchange schemes over the next five years. In order to attract more students from ASEAN in the schemes, Japan will endeavour to improve the environment conducive for the stay of students from ASEAN Member Countries in Japan;
- b. Japan will promote youth activities such as sending youth volunteers to teach Japanese language at recognised institutions, including schools in ASEAN Member Countries and experts to conduct training courses in sports; and
- c. Japan will continue its support to the Ship for Southeast Asian Youth Programme and the ASEAN-Japan Youth Friendship Programme.

3. People-to-People Exchanges

Promote exchanges among villages, municipalities, and cities; and strengthen people-to-people contacts utilising the schemes of the JICA, JBIC and the Japan Foundation.

4. Intellectual Exchanges

- a. Promote exchange programmes for academics in all areas of studies such as politics and international law, and post graduate students in

arts and science. The programmes will be funded by the Japan-ASEAN Exchange Projects (JAEP) and the Japan Foundation; and

- b. Promote research cooperation through exchange of researchers supported by the Japan Society for the Promotion of Science.

5. Enhancing Cultural Exchanges

Maintain the momentum of the ASEAN-Japan Exchange Year 2003 by promoting actively cultural exchanges such as organising and conducting various cultural and art events with funding assistance through the Japan Foundation.

6. Preservation of Cultural Heritage

- a. Cooperate in the preservation and restoration of cultural heritage, both tangible and intangible, and restoration of cultural heritage and historical sites such as the Angkor Wat in Cambodia, Wat Phou in Lao PDR, Bagan in Myanmar, the Rice Terraces of the Philippine Cordilleras, and My Son sanctuary in Viet Nam, and other similar sites in ASEAN that could require Japanese assistance; and
- b. Japan will send experts to look into ASEAN's technical assistance needs for the preservation of cultural heritage, and arrange activities such as training, study tours in Japan for officials and other specialists from ASEAN Member Countries.

7. Cooperation in Information Dissemination and Public Relations

- a. Continue to promote cooperation in information dissemination and public relations communication, including the exchange of journalists, and capacity building for media professionals, to enhance mutual understanding and strengthening the ASEAN-Japan relations; and
- b. Japan will assist ASEAN in developing public relations communication plan, with collaboration of the ASEAN-Japan Centre and the ASEAN Secretariat, to promote better understanding of ASEAN in Japan, including the ASEAN Economic Community

E. Deepening East Asia Cooperation

- 1. Actively contribute to the implementation of the twenty-six concrete short-term, medium-term and long-term measures recommended by the East Asia Study Group and adopted by the ASEAN Plus Three Summit in Phnom Penh in 2002;

2. Expedite the implementation of the seventeen short-term measures before the ASEAN Plus Three process marks its Tenth anniversary in 2006;
3. Consider undertaking feasibility studies on nine medium-term and long-term measures, such as the establishment of a regional financing facility, the coordination on regional exchange rate mechanism and the establishment of the East Asia Free Trade Area; and
4. Actively participate in organising East Asian Travel Fairs to promote East Asian tourism and identity in the region as well as the world.

F. Cooperation in Addressing Global Issues

1. Promoting Human Security

Consider jointly promoting human security through various projects including those which Japan will support through the Trust Fund for Human Security and the Grant Assistance for Grassroots/Human Security Projects.

2. Combating Infectious Diseases

- a. Continue to support the activities of the Global Fund to Fight AIDS, Tuberculosis, and Malaria and cooperate in containing the infectious diseases in the ASEAN region;
- b. Japan will support the efforts of ASEAN Member Countries to control infectious diseases utilising its Okinawa Infectious Diseases Initiative and establishing an "ASEAN-Japan information and human network for infectious diseases control". Japan will also consider holding an ASEAN-Japan workshop for infectious diseases control; and
- c. Japan, in order to address SARS and other newly emerging infectious diseases, will conduct joint research in ASEAN Member Countries to support the ASEAN Disease Surveillance Net to further promote bilateral and multilateral cooperation in research, monitoring and information sharing on emerging infectious diseases.

3. Protecting the Environment

- a. Focus on the following priority areas:

- Global environment issues;
 - Land and forest fires and transboundary haze pollution;
 - Coastal and marine environment;
 - Sustainable forest management;
 - Sustainable management of natural parks and protected areas;
 - Fresh water resources;
 - Public awareness and environmental education;
 - Promotion of environmentally sound technologies and cleaner production;
 - Urban environmental management and governance;
 - Sustainable development and monitoring, reporting and database harmonisation; and
 - Sustainable use of wild fauna and flora.
- b. Promote, through the Asia Forest Partnership (AFP) launched at the World Summit on Sustainable Development in August 2002, cooperation in the field of combating illegal logging, preventing forest fire, and rehabilitating and reforesting degraded lands;
- c. Explore collaboration to address transboundary haze pollution, which is one of the ten priority areas identified by the ASEAN Environment Ministers and agreed upon by the ASEAN Plus Three Environment Ministers at their meeting in Lao PDR in November 2002;
- d. Collaborate in implementing capacity building programmes in the priority areas mentioned in 3a under Section F including the sharing of knowledge on best practices and innovative solutions in addressing environmental sustainability challenges faced by regional cities under the ASEAN Environmentally Sustainable Cities Programme; and
- e. Cooperate in conducting feasibility studies on the expansion of the "Green Aid Plan" (GAP) of Japan to new ASEAN Member Countries in order to support the establishment of systems regarding environmental protection and energy conservation in ASEAN.

4. Advancing the Multilateral Trading System

Cooperate to sustain the momentum of achieving timely an ambitious and balanced conclusion for the Doha Development Agenda negotiations within the ambit of the World Trade Organisation (WTO).

5. Cooperation in Disaster Reduction

Cooperate in the field of disaster reduction in collaboration with the United Nations and other international organisations, and contribute to the success of the United Nations World Conference on Disaster Reduction to be held in Kobe, Hyogo in January 2005.

6. Jointly Addressing Other Global Issues

Intensify efforts to conceive and conduct joint actions in the following areas:

- Strengthening the United Nations;
- Promoting South-South cooperation;
- Protecting human rights; and
- Alleviating poverty.

7. Establishment of Flagship Projects

- a. Establish flagship projects in the pursuit of a dynamic and enduring partnership in the new millennium. Each ASEAN Member Country will jointly cooperate with Japan to coordinate implementation of specific regional projects; and
- b. The ASEAN Secretariat will consult ASEAN Member Countries and Japan on the identification and development of such projects.

8. Cooperation for Rules-Based Multilateral Frameworks

Strengthen cooperation, as main actors of the region, for rules-based multilateral frameworks to address various global issues through regular exchange of views among their officials, including through existing mechanisms such as the ASEAN-Japan Forum.

II. Institutional and Funding Arrangements for the Implementation of the Plan of Action

1. Draw up specific work programmes to implement the various actions and measures outlined in this Plan of Action;
2. Japan will provide technical support to the ASEAN Secretariat in implementing ASEAN-Japan cooperation;
3. Strengthen existing funding mechanisms for effective coordination and implementation of this Plan of Action;

4. Provide requisite resources in accordance with their respective capacities, mutually exploring effective and innovative resource mobilisation to accomplish the various strategies and measures outlined in the Plan of Action;
5. Conduct from time to time targeted surveys on ASEAN-Japan policies and activities to improve the relations and cooperation;
6. Conduct regular review of the Plan of Action through existing mechanisms such as the meeting of the Foreign Ministers of ASEAN and Japan, the ASEAN-Japan Forum and ASEAN-Japan Consultative Group Meeting to ensure consistency with the priorities of the ASEAN-Japan relations and to incorporate new and urgent areas of cooperation given the dynamic regional and global developments; and
7. Submit a progress report of the implementation of the Plan of Action to the annual ASEAN-Japan Summit through the meeting of the Foreign Ministers of ASEAN and Japan.
