

Interventions made by Mr. Naoto KAN, Prime Minister of Japan
at the Session I of the ASEM8 Summit

(Introduction)

I am Naoto Kan, the Prime Minister of Japan, who assumed office in June. I would like to express my sincere gratitude for the efforts of the host country Belgium and Mr. Van Rompuy, President of the European Council.

(The current global economy and Japan's efforts)

The recovery of the world economy after the financial crisis has so far been better than expected but there are concerns remaining in some countries regarding high unemployment rates and problems with countries' financial systems. The credibility of economic management in the eurozone was undermined at one time, but thanks to policy efforts by European countries and the concerted actions with the IMF at the core, the crisis has been avoided. Japan has also been fulfilling a role in supporting through the IMF.

Since Japan was the first country in Asia to realize substantial economic growth, we have been cooperating with Europe and the United States to lead the world economy. Being a member of Asia, Japan has also been strengthening its economic ties with the other Asian nations. Under the current situation, in which Europe has entered an era of slow growth while Asia is experiencing rapid growth, Japan will consider with Asia and Europe so that the two Regions can establish a new economic relationship.

While circumstances remain difficult, the Japanese economy is improving. To lead it to full recovery, we are making a budget to stimulate economy rapidly as an exit strategy. We have also made the "New Growth Strategy". With halting deflation as our highest priority for the time being, Japan is pursuing strong policies and we have especially been taking concrete measures towards growth that creates jobs. In short, we aim for the creation of new service and new employment by allotting financial resources to the fields which have domestic demand, but have no sufficient supply, such as medical care, nursing, child care. We hope that it will also contribute to sound finance.

(Towards growth in the ASEM economies)

With the leaders of Asia and Europe assembled together, this ASEM Summit is a golden opportunity to confirm strong cooperation and a spirit of harmony among the Asian and European countries towards achieving balanced growth in the world economy. Since the GDP of ASEM countries combined together accounts for more than fifty percent of world GDP, we bear responsibility for the global economy. Every Country is making efforts for FTA/EPAs.

Japan would also like to reduce non-tariff barriers and to promote the EPA with EU and other. At the same time, it is imperative for us to demonstrate our clear determination to observe and strengthen international rules and commitments, including the early conclusion of the WTO Doha Development Round negotiations, so as to deter protectionism and to promote free trade.

(APEC)

Japan is the chair of this year's APEC. At the Leaders' meeting in Yokohama in November, I myself as the chair will work hard to share with the other participants our vision of the Asia Pacific region in the future and to bring about concrete outcomes for regional economic integration and a regional growth strategy. In particular, the growth strategy that APEC will be issuing for the first time will further reinforce the efforts of the Asia Pacific region, which is the global growth engine leading the world economy. I am also confident that it will serve as a cornerstone for the growth of the European and global economies.

With deepening mutual interdependence between Asia and Europe, it is important that each of us abide by the common rules of the international community in such areas as commerce in resources and trade in order to realize economic growth together. Moreover, it is worth emphasizing that it is essential for countries and regions to take responsible actions and build solid trust among themselves, thereby establishing a foundation for peace and security. Towards that end, Japan intends to take on a leadership role.

(COP10)

From the eleventh of this month, COP 10 on the Convention on Biological Diversity will be convened in Nagoya, Aichi. I would like to seek your cooperation because this conference is important for the future of the earth.

(Global issues)

We in Asia and Europe need to exert our efforts together to cope with issues such as climate change, energy, nuclear disarmament and non-proliferation, assistance to Afghanistan and Pakistan, the nuclear issue involving Iran and nuclear and missile development by North Korea. Japan will also play an active role to this end.

(Conclusion)

Last but not least, Japan will actively contribute to the activities of ASEM in areas such as youth and student- activities, and exchanges in education and culture, through convening seminars, cooperating with the Asia-Europe Foundation and other means. Under this unique framework, whereby countries with a diverse range of values and economic circumstances gather together, Japan, by serving as a bridge between Asia and Europe, will further enhance collaboration among all of us so as to develop a cooperative relationship between the two

regions and to contribute to global peace and stability.