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Japan and the Pacific Islands Countries

Longstanding Strategic Interests, Recent Strategic Engagement



Center for Asian Studies

Céline PAJON

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Executive Summary

Japan has recently stepped up its engagement with the Pacific Island Countries (PICs), building on its historical ties and strategic interests in the region. The wealth of these territories in fishery resources and raw materials, the crucial importance of the maritime routes, and the strategic geographical location of PICs in the context of Sino-American rivalry have been key factors behind Tokyo's expanding engagement.

Despite these strategic interests, the cooperation with the PICs in the postwar era up until the emergence of the Indo-Pacific narrative has been quite fragmented, reflecting the rather low priority given to the region, the multiplicity of the objectives pursued, and the diversity of engaged actors. Nevertheless, the Japan-Pacific Islands Leaders Meeting (PALM) process initiated in 1997 provided an innovative multilateral framework to coordinate with the Pacific Islands Forum (PIF) over economic cooperation, improve Japan's communications and iron out tensions, starting with nuclear.

The incorporation of the PICs into Japan's Free and Open Indo-Pacific (FOIP) vision cements their position in Tokyo's efforts to preserve a rulesbased international order and counterbalance China's growing influence. Security issues of Asia have thus started to appear on the agenda of the PALM Summits. In addition, Japan has stepped up its cooperation with its closest allies and partners – the US and Australia – as part of the operationalization of a FOIP in Oceania. Finally, a major provider of development aid, Tokyo has also become a diplomatic and security partner for the Pacific Islands. Japan has stepped up naval diplomacy and defense dialogues in the region, in addition to being very active in maritime capacity-building, as well as humanitarian aid and disaster relief assistance.

Despite the rise of Japanese cooperation, which is now truly multidimensional and strategic, Tokyo's ability to influence the Pacific islands and in particular to counterbalance China remains to be seen. Indeed, the PICs feel little concerned by major geopolitical projects and are careful not to create enemies.

With the US and its other partners increasing their presence in the area, there is a strong impetus for Japan to reinvest in the Pacific. However, Tokyo has yet to develop a formal strategy or vision for the region. This could be announced at the next PALM Summit in 2024, which will mark the 10th iteration of this meeting and could be a significant milestone.

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Introduction

On the first day of 2023, Japan inaugurated a new consular office in Noumea, New Caledonia.¹ It symbolically marked the 130th anniversary of the first batch of Japanese migrants settling in this territory to work in the nickel mines. That same month, Tokyo inaugurated a new embassy in Kiribati – a country that switched diplomatic relations from Taipei to Beijing in 2019. Last year, Japan was the third fastest country to dispatch its armed forces to bring humanitarian assistance to the Tonga Islands, after a violent underwater volcano caused a tsunami that caused immense damage in the country.² These moves demonstrate the significance that Tokyo attributes to its relationships with its Pacific partners. It highlights Japan's longstanding historical ties to the region as well as its recent strategic engagement in the area, which may become the site of a new "Great Game" between China and the United States (US).

Since the end of the 19th century, Japan's relations with the Oceanian islands have been underpinned by strategic interests, the nature of which has evolved over time. The wealth of these territories in fishery resources and raw materials, the crucial importance of the maritime routes, the diplomatic weight of the Pacific Island Countries (PICs) in the United Nations, and their strategic geographical location in a context of Sino-American rivalry, explain the expansion of Japanese engagement in the region. Despite Tokyo's longstanding strategic interests in the area, its strategic approach to the Pacific region has emerged only recently, following the inclusion of the PICs in its Free and Open Indo-Pacific (FOIP) vision and through collaboration with like-minded nations.³

Before that, Japanese engagement with the region was promoted by a handful of individuals (diplomats, politicians, experts) who personally nurtured a keen interest in building and sustaining a lasting relationship with the Pacific Islands. Therefore, outside the Micronesia area, where specific bonds ensured continuous interest and cooperation, Japan has taken a fragmented approach to the Pacific region. Nevertheless, Japan set up innovative frameworks such as the PALM Summit, on which Tokyo has

^{1.} Unlike a full-fledged consulate, the consular office exercises consular powers by delegation from an embassy, in this case, the Japanese embassy in France.

^{2. &}quot;Japan Ends SDF Relief Mission in Eruption-Hit Tonga", *Nippon.com*, February 17, 2022, available at: <u>www.nippon.com</u>.

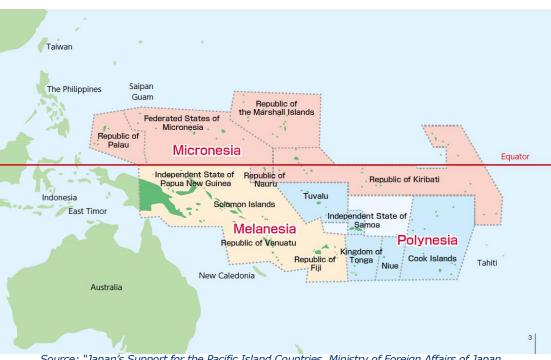
^{3.} H. D. P. Envall, "The Pacific Islands in Japan's Free and Open Indo-Pacific: From 'Slow and steady' to Strategic Engagement?", *Security Challenges*, vol. 16, No. 1, 2020, pp. 65-77.

recently built to uphold a more strategic policy in the context of FOIP.⁴ A major provider of development aid, Tokyo has also become a diplomatic and security partner for the Pacific Islands.

The purpose of this note is to enhance comprehension of Japan's policy toward the PICs, which has received relatively little coverage. The note evaluates Tokyo's strategic interests in the Oceanian region, explores the framework of Japan's cooperation with the PICs, and elucidates the rationale behind the incorporation of the Pacific Islands into the FOIP vision, as well as the implications of this extension of strategic cooperation.

4. K. Koga, "Japan's Strategic Approach toward Island States. Case of the Pacific Islands", *Journal of Indo-Pacific Affairs*, November-December 2022.

Japan's Strategic Interests in the Pacific Islands Region



Map 1: Pacific Island Countries supported by Japan

Source: "Japan's Support for the Pacific Island Countries, Ministry of Foreign Affairs of Japan, 2020.⁵

Historical and Geographical Factors

Geographic and historical proximity with the Micronesian sub-region explains why Japan has developed special ties with Palau, the Federal States of Micronesia (FSM), and the Marshall Islands.⁶ Palau is one of Japan's direct neighbors in the south, and the two countries have been coordinating their positions on the extension and delimitation of their respective continental shelves.

Following the conclusion of the First World War, the League of Nations granted Japan the South Seas Mandate over the territories of Micronesia (FSM, the Marshall Islands, the Northern Mariana Islands, and Palau),

^{5. &}quot;Japan's Support for the Pacific Island Countries", Ministry of Foreign Affairs of Japan, 2020, available at:<u>www.mofa.go.jp</u>.

^{6.} Other significant factors include the membership of some Micronesian states in the Compact of Free Association (COFA) with the US ally, the hosting of US bases or military capacities, and the maintenance of diplomatic relations with Taiwan.

previously held by Imperial Germany. As a result, it is estimated that, in 1935, 50,000 Japanese people lived in the Micronesian Islands.⁷ Some trading companies also invested in the region to exploit its fishing resources, sugar cane, and minerals such as phosphate and bauxite. Other Japanese communities settled in other parts of the Pacific, as in New Caledonia, where 5,500 people migrated to work in the nickel mines. As a result, there are communities of people of Japanese descent residing in various Pacific Islands.

During the Pacific War, the islands were the sites of intense conflict, resulting in the presence of fallen soldiers whose remains can still be found. These territories hold great symbolic significance for Japan.⁸

Finally, a sense of common identity binds Japan and the PICs, as islanders, relying on the sea, but also prone to natural disasters such as typhoons, earthquakes, and tsunamis. On another note, the Japanese imperial family is highly regarded in the region and has had close ties to the royal family of Tonga.

A Vital Access to Fishing Resources and Raw Materials

A Key Source of Fish for Japan

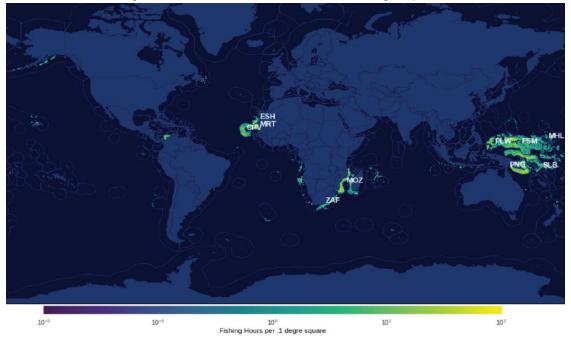
As a major consumer of fish, Japan depends substantially on Oceania: nearly 45% of the tuna and bonito consumed or processed in Japan comes from the exclusive economic zones (EEZ) of the Pacific Islands.

The following figure mapping the Distant Water (fisheries) Fleet (DWF)⁹ from Japan shows the concentration of boats in the Pacific region. In 2017, Japan's DWF was the world's third largest, with 162 vessels that principally fish for tuna. Six PICs are among the top 10 of coastal countries visited by the Japanese fleet.¹⁰

^{7.} R. H. Myers, M. R. Peattie, *The Japanese Colonial Empire*, 1895-1945, Princeton University Press, 1984.

^{8.} This is still a topical issue, highlighted in the 2021 PALM Joint Action Plan: "The PALM Partners will continue cooperation to address issues related to their shared past including repatriation of the remains of war dead from World War II [...].", Joint Action Plan for Strengthening Pacific Bonds and for Mutual Prosperity, July 2, 2021, available at: <u>www.mofa.go.jp</u>. 9. Distant Water Fleet refers to fleets that operate outside their own countries' EEZ, often traveling long distances and spending long periods of time at sea to fish. DWF allows countries to catch higher volumes of species than are typically found within their own EEZ.

^{10.} S. Yozell, A. Shaver, "Shining a Light: The Need for Transparency across Distant Water Fishing", *Report*, Stimson Center, 2019, p. 15, available at: <u>www.stimson.org</u>.



Map 2: Distant Water Fleet from Japan, 2019

Source: Report, Stimson Center, 2019.11

Japanese fishermen have operated in the region since at least the 19th century. Under the South Seas mandate, the Japanese set up bases for fishing operations employing more than 7,600 personnel.¹² During WWII, the objective was to continue to ensure access to fishing zones by providing development assistance and cooperation, especially in marine infrastructures.

Later, following the expansion of ocean regulations between 1977 and 1984 and the adoption of the UN Convention on the Law of the Sea in 1982, the Pacific Islands established their EEZ, meaning that coastal nations would have control over the resources in this 200-nautical-miles area, and that the Japanese fleet would have to negotiate access. This development, as well as the depletion of fish stocks, especially of bluefin tuna, explains why the Japanese fishing industry has sharply declined since the end of the 1980s.¹³ Nevertheless, even if the number of catches has decreased, the relative importance of the Western Pacific for Japanese fisheries remains.

^{11.} *Ibid.*, p. 26.

^{12.} L. Campling, A. Lewis, M. McCoy, "The Tuna Longline Industry in the Western and Central Pacific Ocean and its Market Dynamics", *Pacific Islands Forum Fisheries Agency*, 2017, p. 122, available at: <u>www.ffa.int</u>.

^{13.} Statistical Handbook 2022, Statistics Bureau, Ministry of Internal Affairs and Communications, Japan, available at: <u>www.stat.go.jp</u>.

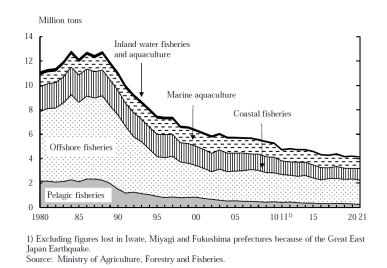


Figure 1: Production by Type of Fishery, Japan

Source: Japan Statistical Handbook 2022.14

To facilitate the access permission to EEZ and the associated fees, Japan, like other major fishing nations such as Taiwan, China, and the US, has increased its provision of foreign aid and development assistance.¹⁵ Tokyo has also invested in joint ventures, such as the tuna fishing and processing enterprise based in the Solomon Islands from 1971 to 2000, Solomon Taiyo Ltd.

In recent years, the context has become tougher for Japan. The Japanese Ministry of Agriculture, Fisheries and Forest (MAFF) recognizes that "although the EEZs of the Pacific Island countries continue to serve as vital fishing grounds, the severity of fishing conditions continues to increase due to fishing fee hikes, establishment of marine protection areas, etc". ¹⁶

A Significant Provider of Minerals and Energy

Japan has been wooing the region for its wealth of natural resources. While the PICs may not be a major source of Japan's mineral imports, their contribution to Japan's resource needs has been significant over time. In 2021, crude materials made up 20% of Japan's imports value from the region,¹⁷ in particular metalliferous and scrap products. Papua New Guinea (PNG) is the main provider of these, with important production of copper ore, and enduring ties with Japanese operators. Also, until its reserves were

^{14.} Ibid.

^{15.} Q. Hanich et al., "Tuna Fisheries Conservation and Management in the Pacific Islands Region. Implications for Korean Distant Water Fisheries", *Asia-Pacific Journal of Ocean Law and Policy*, No. 6, 2021, p. 207.

^{16.} FY2021 Trends in Fisheries, FY2022 Fisheries Policy, Summary, Japan Ministry of Agriculture, Forestry and Fisheries, May 2021, p. 21, available at: <u>www.maff.go.jp</u>.

^{17.} Pacific Islands Center Statistical Handbook 2022, September 2022, p. 9, available at: <u>www.pic.or.jp</u>.

depleted in 2019, Nauru was the fifth-largest exporter of phosphate to Japan. Finally, as of 2020, Tokyo ranked as the world's sixth-largest importer of nickel ore, with 70% of its imports coming from New Caledonia.

Japan, the world's largest importer of liquefied natural gas (LNG), has also invested in the gas fields of PNG. When importations of LNG started in 2014, it tripled the value of all Japan's imports from the PICs. Since 2019, PNG has been Japan's 7th LNG supplier, accounting for around 5% of its consumption.¹⁸ During his visit to Japan in fall 2022, PNG Prime Minister James Marape offered Japanese companies priority access to new gas-field development and LNG processing projects, suggesting that the bilateral cooperation could expand further.¹⁹

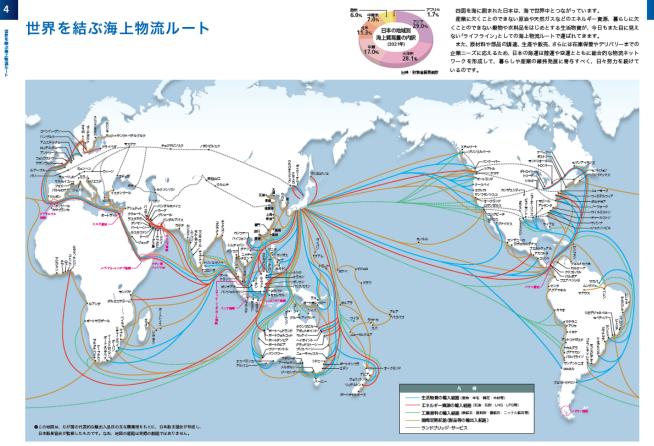
Finally, it is worth noting that Tokyo relies heavily on Australia for its resource needs, importing 70% of its coal, 60% of its iron ore, and 40% of its LNG. This highlights the critical significance of the maritime routes passing through Oceania for Japan's economic stability. As indicated by the map below, these routes make up a high portion of Japan's global trade traffic, accounting for up to 28.1%. This is likely to increase in the future, as Japan is looking to invest in hydrogen and critical materials in Australia.²⁰

Hence, destabilization of the region or restriction of the freedom of navigation would have devastating effects on the Japanese economy. Securing sustainable access to these fisheries, mining, and energy resources is, therefore, an almost vital issue for Tokyo.

^{18.} Ibid.

^{19.} M. Keen, "Papua New Guinea can feed Japan's energy appetite", *East Asia Forum*, November 6, 2022, available at: <u>www.eastasiaforum.org</u>.

^{20.} Special feature, "Japan-Australia Collaboration Aims for a New Stage of Economic Cooperation", *JBIC Today*, October 2022, available at: <u>www.jbic.go.jp</u>.



Map 3 : Japan's maritime commercial routes

LEGEND

- Blue lines: Import routes for daily commodities (grains, wool, cotton, lumber, etc.)
- Pink lines: Energy resource import routes (petroleum, coal, LNG, etc.)
- Green lines: Import routes for industrial raw materials (iron ore, coking coal, copper ore, nickel ore, etc.)
- Brown lines: International liner routes (export and import routes for products, etc.)

Source: Shipping Now, 2022-23, Japan Maritime Public Relations Center.²¹

Important Diplomatic Partners in Multilateral Settings

The Pacific Islands, excluding Australia and New Zealand, represent a potentially significant voting bloc in the United Nations (UN) General Assembly. Securing their support is thus a top priority for Tokyo to achieve its longstanding goal of reforming the UN Security Council (UNSC) and becoming a permanent member. Japan is today reviving its proposal in light of the institution's ineffectiveness in taking action against one of its permanent members, as evidenced by the ongoing conflict in Ukraine.

In recent years, Japan has seen the support and cooperation of the PICs at the UN as essential in confronting the revisionist powers – China and Russia – that seek to undermine the rules-based order.²² Japan is thus seeking Pacific Islanders' support in calling for respect for the law of the sea and the peaceful settlement of disputes. Frequent Chinese incursions into Japan's territorial waters and contestation of its sovereignty over the Senkaku islets have made this a particularly pressing issue.

Despite these strategic interests, the cooperation with the PICs in the postwar era up until the emergence of the Indo-Pacific narrative has been quite fragmented, being mostly focused on Micronesia and major Oceanian countries, and more reactive and *ad hoc* than truly strategic.

^{22.} G. Terasawa, former Japan Ambassador of the Independent State of Samoa, "The Importance of Pacific Island States for the Future Formation of the International Order" (in Japanese), *Kasumigasekikai*, April 5, 2022, available at: <u>www.kasumigasekikai.or.jp</u>.

Japanese Cooperation with the PICs up to 2018: a Fragmented Approach

Navigating the Pursuit of Multiple Objectives

Tokyo's policy on the Pacific Islands region after 1945 has been shaped by several objectives: ensuring continuous access to vital marine resources, accommodating US security interests in the area, raising its international profile by contributing to the stability of the region, and, later on, gaining the support of the PICs in multilateral settings.

Economic assistance has been the major Japanese diplomatic tool. It was well adapted to support the development of the newly independent states in the Pacific after the progressive decolonization process from the 1960s.

At first, Japan's aid policy drew criticism for being self-interested in nature.²³ For example, prioritizing its access to fish, Japan set up a special category of fisheries grant aid in 1973 at a time when the UN Convention of the Law of the Sea (UNCLOS) and the principle of EEZ were under negotiation (1973–1982).²⁴ In 1979, when Prime Minister Masayoshi Ohira announced the "Pan Pacific concept" that would later give way to the Asia-Pacific Economic Cooperation (APEC), PICs were not considered as key players. However, the Pacific Basin vision helped to put them on Japan's political radar.²⁵

Yasuhiro Nakasone (1982-1987) was the first prime minister to understand the strategic importance of the region. As a strong advocate of the US–Japan alliance, he was aware of Washington's pressure (*Beiatsu*) on Tokyo to take on a greater role in international affairs and contribute more to global security.²⁶ Engaging with the PICs helped to fulfill US

^{23.} I. Kobayashi, "Japan's Diplomacy towards Member Countries of Pacific Islands Forum: Significance of Pacific Islands Leaders Meeting (PALM)", *Asia-Pacific Review*, 25:2, 89-103, p. 91. 24. S. Tarte, "Japan's Aid Diplomacy and the South Pacific", thesis submitted for the degree of Doctor of Philosophy of the Australian National University, June 1995, p. 170, available at: <u>www.openresearch-repository.anu.edu.au</u>.

^{25.} Ibid., p. 169.

^{26.} See the Policy Speech by Prime Minister Yasuhiro Nakasone to the 104th Session of the National Diet, January 27, 1986, available at: <u>www.mofa.go.jp</u>.

expectations.²⁷ In 1985, Nakasone visited the largest Oceanian countries: Australia, New Zealand, PNG and Fiji. Showing consideration for the Pacific countries' sensitivities, he announced that Tokyo would give up on its plan to release low-level nuclear waste in the Northern Mariana Trench.²⁸ In 1987, his Foreign Minister Tadashi Kuranari, in a speech in Fiji, unveiled a new approach based on five principles that would guide Japan's relations with the PICs: independence and self-sufficiency; regional cooperation; political stability; economic development, and people-to-people exchanges. This "Kuranari Doctrine" has served as a reference ever since in Japan's relations with the PICs. The doubling of Official Development Assistance (ODA) (from below 0.5% of global Japanese ODA in the 1970s to 1% in the 1980s) helped build a positive appreciation in the region. This effort was also meant to show that Tokyo cared about its American ally's security interests in the region.²⁹

Indeed, in 1985, Kiribati announced the conclusion of a fishing agreement with the Soviet Union.³⁰ In the heyday of the Cold War, this was a shocking development for the US, which decided to counter the Soviet advance in the Pacific for fear that they would set up military bases or use fishing boats for intelligence operations. As a result, Washington agreed in 1987 to a long sought-after multilateral agreement on fisheries access with 16 Pacific states.³¹ Tokyo was also strongly encouraged to help the PICs to build their resilience.³² In the 1980s, Japan, along with Australia, thus became a major aid donor to the Pacific Islands nations. Japan's cooperation with the PICs was operated by an ecosystem of actors with various status and interests.

A Diversity of Engaged Actors

The two main Japanese administrations in charge of relations with the PICs have been the Ministry of Foreign Affairs (MOFA) and the Fisheries Agency. Their interests have sometimes been in contradiction: while MOFA

^{27.} Interview with Ryosuke Hanada, Researcher at Macquarie University, Australia, February 15, 2023.

^{28.} I. Kobayashi, "Japan's Diplomacy towards Member Countries of Pacific Islands Forum: Significance of Pacific Islands Leaders Meeting (PALM)", *op. cit.*, p. 91.

^{29.} S. Tarte, "Diplomatic Strategies: The Pacific Islands and Japan", Pacific Economic Papers, No. 269, July 1997, p. 13, available at: <u>www.coombs-forum.crawford.anu.edu.au</u>.

^{30.} The Soviet Union signed a fishing agreement with Kiribati in 1985. See "Soviet Fishing Pact Stirs South Pacific Fears", *The New York Times*, November 10, 1985.

^{31.} Under this five-year agreement, the key provision involved the commitment of the US government to provide \$10 million annually in cash and fisheries aid to the island countries in exchange for access rights. J. Willis, "When the 'tuna wars' Went Hot: Kiribati, the Soviet Union, and the Fishing Pact that Provoked a Superpower", *Pacific Dynamics*, Vol. 1, No. 2, November 2017.

^{32. &}quot;The Explicit Statement of American Expectations about Japan's Role in the Region Was an Integral Part of the Kuranari Doctrine Developed by Japan." S. Tarte, "Japan's Aid Diplomacy and the South Pacific", *op. cit.*, 1995, p. 176.

favored following US policy, the Fisheries Agency was irritated to see the US entering a multilateral fishing access agreement that went against Japan's interests of retaining more lucrative, negotiated bilateral access. MOFA prioritized showcasing Japan's contributions to international partners in the region, while policy specialists in the Fisheries Agency developed an aid policy with targeted support for fisheries access.

Overall, Oceania represented only a small portion of Japan's Official Development Assistance (1% at its best), had low diplomatic priority, and was not particularly appealing to bureaucrats. Consequently, if they were so inclined, individuals could exert considerable influence on Japan's policies toward the region.³³ Until 2001, the Oceania Division of the MOFA was actually a negligible part of the European and Oceanian Affairs Bureau. Although this highlighted the low priority given to the region, it also allowed the Oceania Division director a substantial degree of independence in crafting policy.³⁴ Administrative discontinuity, however, made it difficult to ensure a consistent approach to the region over the years.

In sum, in Japan, only a small number of individuals had both a genuine interest in and knowledge of the PICs. They were highly active in cultivating relationships and frequently worked behind the scenes to play a critical role in this regard.

Interestingly, a private actor has also been playing a key role in Japan's relations with the Pacific Islands: the Sasakawa Peace Foundation (SPF), an organization that is part of a network headed by the Nippon Foundation.³⁵ In August 1988, SPF invited heads of states and representatives from 10 PICs, representatives of Australia, New Zealand, Indonesia and some regional organizations to hold a first dialogue in Japan. Encouraged by then Foreign Minister Kuranari, it established a Pacific Islands Nations Fund (SPINF) in 1989 and started activities to sustain the relations.³⁶ Dr. Rieko Hayakawa ran SPINF from 1991 to 2017 and played a key role in formulating policies and projects.³⁷ The purpose of the program was to

^{33.} Ibid., p. 236.

^{34. &}quot;An interview with Akio Miyajima, Director, Oceania Division, Ministry of Foreign Affairs", *Wave of Pacifika*, Vol. 7, 2001, available at: <u>www.spf.org</u>. See also I. Kobayashi, "Japan's Diplomacy towards Member Countries of Pacific Islands Forum: Significance of Pacific Islands Leaders Meeting (PALM)", *op. cit.*, p. 95.

^{35.} The Nippon Foundation (日本財団, Nipponzaidan – <u>www.nippon-foundation.or.jp</u>) is a nonprofit organization based in Tokyo, founded in 1962 by Ryoichi Sasakawa. Its objective is to allocate revenue from Japanese motorboat racing toward philanthropic activities, which it employs to support global maritime development and provide aid for humanitarian work, both domestically and internationally. The Nippon Foundation has been the subject of controversy due to suspicions that its activities and views on Japan's history align with revisionist perspectives, stemming from its founder's convictions and involvement in wartime activities.

^{36. &}quot;About the Sasakawa Pacific Islands Nations Fund", The Sasakawa Peace Foundation, available at: <u>www.spf.org</u>.

^{37.} Rieko Harakawa played an active role in promoting Japanese political interest and involvement in the Pacific Islands. Specialist in ICT policy, she promoted distance education and the

deepen mutual understanding and exchange between Japan and PICs, and to support educational outreach, as well as the Micronesian Regional Cooperation Framework.³⁸

After 2008, SPF became particularly active in the field of maritime capacity-building for the Micronesian sub-region (for geographic and historical reasons explained earlier). Japan was requested by the Micronesian states to provide some assistance to help monitor their EEZ and fight illegal fishing. At that time, only Australia and the US were providing patrol boats to the PICs. By using private organizations like the SPF and Nippon Foundation, the Japanese government was able to operate with greater discretion, secure approval from both Canberra and Washington, and enjoy greater flexibility while circumventing cumbersome bureaucracy.39 In 2009, the "International Committee for Establishment of Maritime Safety System in Micronesia" was launched. Based on discussions with the three Micronesian nations as well as Australia and the US, it allowed Japan in 2011 to provide small patrol boats to the FSM, Marshall Islands and Palau.⁴⁰ From the start, the Japan Coast Guards (JCG) participated to train their Micronesian counterparts. SPF also supported Palau in setting up its Marine Protected Area, promoting sustainable tourism and better enforcing rules in its EEZ.41

Of course, the Japan International Cooperation Agency (JICA), the implementation agency for ODA, has been playing a key role in the relations between Japan and the PICs. It now has offices in Fiji, Marshall, Palau, PNG, Samoa, Solomon, Tonga, and Vanuatu.

From Bilateral to Multilateral Cooperation

Japan has been, with Australia, one of the biggest providers of bilateral ODA to the region in the period 1980–1990. It is now the third largest donor in the region, behind Australia and New Zealand, according to the

Micronesian Maritime Security Project in 2008, and encouraged Japan's maritime assistance to Pacific region. She collaborates with the Palau National Security Office.

See her profile here: www.otago.ac.nz and her blog: www.yashinominews.hatenablog.com.

^{38.} See the website of the Sasakawa Peace Foundation: www.spf.org.

^{39.} Interview with a Japanese expert, July 7, 2022.

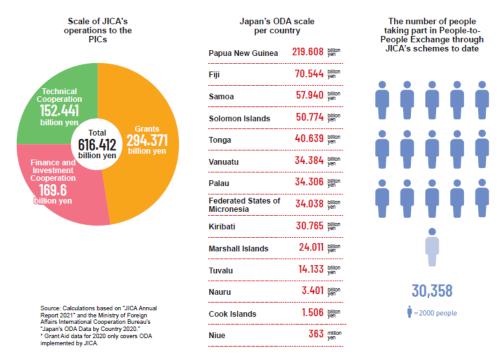
^{40.} See the website of the Sasakawa Peace Foundation: <u>www.spf.org</u> and, for example, "The Project for Improvement of the coast guard capability of the Micronesian Countries supported by The Nippon Foundation: Hand-Over Ceremony of Small Patrol Boat", Embassy of Japan in the Federated States of Micronesia, August 2011, available at: <u>www.micronesia.emb-japan.go.jp</u> and "RMI Sea Patrol Christens the LOMOR II", US Embassy in the Marshall Islands, November 26, 2012, available at: <u>www.mh.usembassy.gov</u>.

^{41.} See the project webpage: <u>www.spf.org</u> and the speech on the delivery of the patrol boat

[&]quot;Meeting of Four Governments and Two NGOs for Enhancing Coast Guard Capabilities and Promoting Eco-conscious Tourism in the Republic of Palau", February 26, 2016, Nippon Foundation, available at: <u>www.nippon-foundation.or.jp</u>.

Lowy Pacific Aid Map.⁴² Today, Papua New Guinea, the most populous state in the area with 6.88 million inhabitants, is by far the largest beneficiary of Japanese aid (\$65 million), ahead of Fiji, the Solomon Islands, Samoa and Tonga. These five states have received two-thirds of Japan's assistance to the area since 2011.

Figure 2: Japan's cooperation with the PICs (cumulative total since the start of cooperation)



Source: Dive into the Blue Pacific, JICA, March 2022, p. 13.43

The aid has mainly taken the form of grants, considering the limited economic capacities of the recipients, and focused on infrastructure development, human exchanges, technical training, and climate-related assistance. Countries with bilateral access agreements with Japan⁴⁴ received fisheries grant aid and technical cooperation as an incentive.⁴⁵

Over time, Japanese aid for infrastructure development has remained stable, while its technical cooperation budget has significantly increased. Tokyo supported several construction projects such as highways in the Solomon Islands, wind-power generation systems in Tonga, roads and bridges in Papua New Guinea and port development in Vanuatu.⁴⁶ It has helped to develop nine airports in the area. Japan has been a strong advocate for self-sustained development, providing capacity-building,

^{42.} Pacific Aid Map, Lowy Institute, available at: <u>www.pacificaidmap.lowyinstitute.org</u>.

^{43.} Dive into the Blue Pacific, JICA, March 2022, available at: www.jica.go.jp.

^{44.} Kiribati, FSM, Marshall Islands, Palau, Nauru, the Solomon Islands and Tuvalu.

^{45.} FY2021 Trends in Fisheries, FY2022 Fisheries Policy, Summary, Japan Ministry of Agriculture, Forestry and Fisheries, May 2021, p. 23, available at: www.maff.go.jp.

^{46.} H. D. P. Envall, "The Pacific Islands in Japan's Free and Open Indo-Pacific: From 'Slow and steady' to Strategic Engagement?", *op. cit.*, p. 68.

people-to-people exchanges, and training. Between 2015 and 2018, 4,000 people from the PICs went to Japan to be trained.

With the US and Australia until recently not much interested in topics related to environmental protection or climate change, it was important for Japan to position itself on these key issues for the Pacific islanders.⁴⁷ Tokyo contributed to promoting solid-waste management, climate adaptation and renewable energy. In 2018, Japan and Samoa established the Pacific Climate Change Centre (PCCC), a regional research center located in Apia, which is funded by JICA. The center focuses on researching and addressing the impacts of climate change.⁴⁸ Since 2010, Japan has also provided funding for Tonga's renewable energy project, which introduced a microgrid system in the country.⁴⁹

The Difficult Engagement with the Pacific Forum, and the PALM Summit

In 1971, the South Pacific Forum (SPF), renamed in 1999 the Pacific Islands Forum (PIF), was established by the newly independent states of Samoa, Cook Islands, Nauru, Tonga and Fiji, along with Australia and New Zealand. The new organization, based in Suva, aimed to raise a voice that was distinct from that of the South Pacific Commission (SPC) (renamed in 1997 the Pacific Community), founded in 1947 by the colonial powers.⁵⁰ Its first purpose was to protect the interests of the new Pacific Island states and protest, at that time, against planned nuclear tests by France in French Polynesia.

Tokyo had to deal early on with the forum's nuclear defiance; in 1981, the Leaders Meeting Communiqué protested against Japan's project to dump nuclear waste in the ocean. After Nakasone gave up the plan, Japan became a dialogue partner of the PIF. In 1992, again, the forum criticized the transportation of plutonium from France to Japan transiting in the region. As a gesture of goodwill, in 1996, Japan agreed to the forum's proposal to set up a Pacific Islands Centre (PIC) in Tokyo to promote investment, tourism, and information exchanges on business with the PICs.⁵¹ The Federation of Electric Power Companies of Japan also invited the leaders of the Pacific Islands to Japan to discuss the nuclear issue and

^{47.} Interview with Takehiro Kurosaki, Professor, Tokai University, July 1, 2022; H. Wrathall, M. Conley Tyler Faiia, "Australia's Development Agenda in the Pacific", *Australian Outlook*, Australian Institute of International Affairs, September 30, 2022, available at: <u>www.internationalaffairs.org.au</u>.

^{48.} See the website of the Pacific Climate Change Centre: <u>www.sprep.org</u>.

^{49.} Dive into the Blue Pacific, JICA, op. cit., p. 7.

^{50.} T. Kurosaki, "The Pacific Islands Countries", *in* S. Kitaoka (Ed.), *A Western Pacific Union: Japan's New Geopolitical Strategy*, Japan Publishing Industry Foundation for Culture, 2023, pp. 337-365.

^{51.} Pacific Islands Centre, 25th Anniversary Commemoration Book, December 2021, available at: www.pic.or.jp.

took them for a tour of the nuclear sites. The federation has been sponsoring the PALM Summit since its creation.⁵²

Indeed, in 1997, nine years before China, and while the United States and other major donors were withdrawing from the area, Japan set up a triennial high-level forum with its Pacific partners. The Pacific Islands Leaders Meeting (PALM) summit initiated multilateral political dialogue, originally bringing together 16 countries in the region,⁵³ all members of the South Pacific Forum. It was significant that a developed country that was not a formal colonial power set up such a summit. The importance of the event was marked by the presence of Emperor Akihito, who hosted a reception.

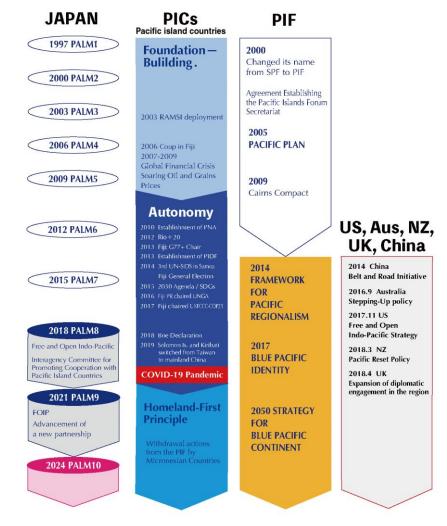
The PALM process has served to coordinate with the Pacific Islands Forum (PIF) over political and economic cooperation, improve Japan's communications and iron out tensions, starting with nuclear. In 2000, Tokyo set up the privately funded Pacific Islands Development Cooperation Fund (\$10 million). Destined to address any unexpected incident caused by plutonium transportation in the region, the sum was at the disposal of the PIF for human resource development and technical cooperation, and helped to resolve the nuclear issue.⁵⁴

^{52.} Interview with a Japanese expert, June 1, 2022.

^{53.} Australia, Cook Islands, FSM, Fiji, Kiribati, Marshall Islands, Nauru, New Zealand, Niue, Palau, PNG, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu.

^{54.} H. Shiozawa, "The Pacific Islands Leaders Meetings: Past, Present and Future", *in* H. Sakaguchi, *Climate Security and a Free and Open Indo-Pacific*, Tokai Education Research Institute, October 2022, p. 184.

Figure 3: The evolution of the PALM Summit meeting in context



Source: "The Pacific Islands Leaders Meetings: Past, Present and Future", 2022, op. cit., p. 187.

Since 2006, and the 4th summit, PALM has also served as a public platform to announce a growing amount of aid to the region. Japan pledged \$400 million of ODA over three years as a reaction to Chinese Prime Minister Wen Jiabao's announcement of \$375 million assistance in 2006.⁵⁵ At PALM 5, in 2009, Tokyo committed \$450 million, including \$60 million to set up a Pacific Environment Community Fund in the PIF Secretariat, through which Japan helped provide thousands of solar power systems and seawater desalination units. At PALM 6 in 2012, \$500 million was pledged, and \$460 million at the 2015 PALM 7.⁵⁶

^{55. &}quot;Wen Pledges New Aid to Pacific Countries", *The New York Times*, April 5, 2006, available at: <u>www.nytimes.com</u>.

^{56.} H. Shiozawa, "The Pacific Islands Leaders Meetings: Past, Present and Future", 2022, *op. cit.*, p. 185.

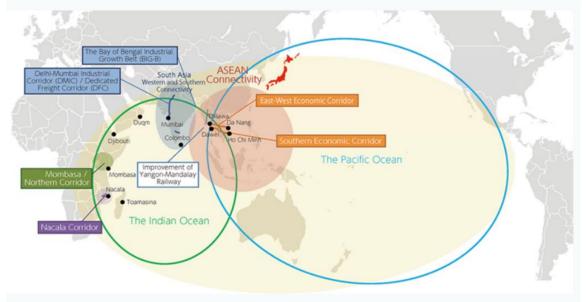
With the announcement of the Free and Open Indo-Pacific strategy, the nature of the PALM Summit, as well as the broader approach to the Pacific islands, evolved to become more strategic.

The Pacific Islands through the Lens of the Free and Open Indo-Pacific Approach

Building a Rules-Based Order, Checking the China Presence

The incorporation of Oceanian islands into Japan's Free and Open Indo-Pacific (FOIP) cements their position in Tokyo's efforts to preserve a rulesbased international order and counterbalance Beijing.

Japan's FOIP vision, presented by the late prime minister Abe in 2016, is based on three pillars: upholding the rule of law and liberal values, strengthening regional connectivity, and developing security cooperation, particularly at sea. The aim is to promote a rules-based order, provide an alternative to China, particularly in infrastructure financing, and offset Beijing's political expansion in the region by fostering a positive environment.⁵⁷

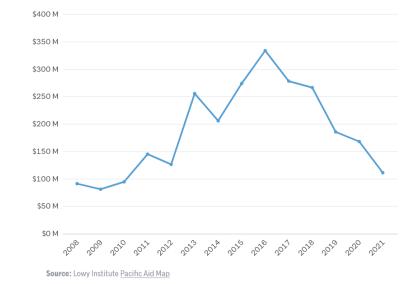


Map 4: Japan's Free and Open Indo-Pacific Strategy, 2018

Source: Diplomatic Bluebook, Japan Ministry of Foreign Affairs, 2018.

57. C. Pajon, "Japan's Indo-Pacific Strategy: Shaping a Hybrid Regional Order", *War on the Rocks*, December 18, 2019.

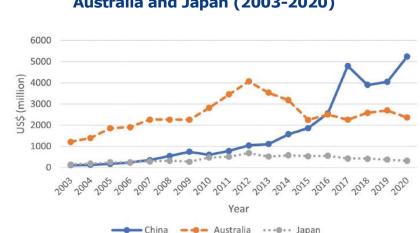
Counterbalancing China is important because, since the mid-2000s, China has stepped up its presence in the Blue Pacific; in 2006, Beijing set up its China-Pacific Island Countries Economic Development Forum, pledging \$375 million of investment to the region over three years. The effort was accelerated under the Belt and Road initiative (BRI) announced in 2013, and Chinese funding, predominantly loans for large infrastructure projects, peaked in 2016. Ten Pacific Island states – Cook Islands, Fiji, Kiribati, Micronesia, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, and Vanuatu – have signed a memorandum of understanding (MOU) to join the BRI. This has led to heavy debts for several countries; Chinese loans account for 55% of Tonga's total external debt, and for almost half the external debt of Vanuatu.



Graph 1: China's aid in the Pacific, disbursed (2008-21)

Source: The Interpreter.58

Meanwhile, imports from China increased fivefold between 2013 and 2020, surpassing those of Australia, and creating for the PICs a situation of dependence on Beijing that alarmed Japan.



Graph 2: Pacific Island State's Import from China, Australia and Japan (2003-2020)

Source: Compiled by Kei Koga on the basis of the data from the Asian Development Bank. K. Koga, "Japan's Strategic Approach toward Island States. Case of the Pacific Islands" 2022, op. cit., *p. 65.*

In both 2014 and 2018, President Xi Jinping visited the South Pacific and met with leaders of PICs with diplomatic ties with China. The region's political importance is linked to Taiwan, a core security interest for Beijing. Only 14 nations in the world recognize Taipei as a sovereign state, with four located in the South Pacific (Palau, Nauru, Tuvalu, and the Marshall Islands). Beijing has persistently pressured Taiwan's allies, leading the Solomon Islands and Kiribati to switch recognition to China in 2019.

In March 2022, it was revealed that China and the Solomon Islands had entered a confidential security agreement allowing China to potentially station naval warships there. Australia and Western observers were surprised by the revelation, given the longstanding and close ties with Canberra of the Solomon Islands capital Honiara, including in police cooperation.⁵⁹ A few months later, in June 2022, Foreign Minister Wang Yi traveled to seven South Pacific Island nations, where he presented a fiveyear plan for cooperation called the "Common Development Vision". However, the proposal was turned down by the Pacific Islands Forum due to public leaks and warnings from regional leaders about potential compromise of sovereignty. The leaders advised caution when engaging with China on strategic areas such as police forces, digital governance, and cybersecurity.⁶⁰

^{59.} K. Lyons, D. Wickham, "The Deal that Shocked the World: Inside the China-Solomons Security Pact", *The Guardian*, April 20, 2022, available at: <u>www.theguardian.com</u>.

^{60. &}quot;FSM President Warns Pacific Leaders over China Documents", *RNZ*, May 27, 2022, available at: <u>www.rnz.co.nz</u>.

Map 5: Chinese Foreign Minister Wang Yi's islands hopping visit to the South Pacific



Source: Nikkei Asian Review.61

Tokyo kept a close watch on the Chinese tour of the region and acknowledged that, while Beijing had been unsuccessful in getting its regional deal with the PIF approved, it had still signed several significant bilateral agreements. Japan's strategic thinkers share Kurt Campbell's view that the next strategic surprise may come from the Pacific region.⁶² The Chinese growing presence in Oceania is also seen in Tokyo as a way to expand authoritarian principles,⁶³ and an attempt to gain a foothold on the third island chain, which might enable Beijing to exert influence over key maritime routes, complicate the strategic calculus of the United States, and deny access to Australian vessels in the event of a crisis in East Asia.

In response, Japan has sought to offer an alternative, and stepped up its official visits to the region to demonstrate interest; in 2019, Taro Kono was the first Minister of Foreign Affairs to visit the region since the Kuranari visit 32 years ago. Foreign Minister Hayashi quickly followed through and went to Fiji and Palau in May 2022.

The PALM Turns Strategic

After 2018 and the 8th summit, PALM took on a greater strategic dimension, mentioning a "Partnership towards prosperous, free and open Pacific" and Japan's Free and Open Indo-Pacific. Since then, and in addition to sustainable development, which has always been a top priority for Pacific Islanders, the

^{61.} H. Akita, "Is China Following Japan's Prewar Path in the South Pacific?", *Nikkei Asian Review*, June 15, 2022, available at: <u>www.asia.nikkei.com</u>.

^{62.} Interview with a Japanese diplomat, June 14, 2022.

^{63.} E. Beattie, "Solomon Islands Lurch toward Despotism as China Debt Deepens", *Nikkei Asian Review*, August 30, 2022, available at: <u>https://asia.nikkei.com</u>.

PALM Summits' Final Declaration has made references to the security situation in East Asia, the preservation of the rule of law, freedom of navigation, and the need to enforce UN sanctions against North Korea.⁶⁴

A significant shift in Japan's approach was its decision to no longer commit to specific aid targets, but to prioritize the quality rather than quantity of its assistance, in order to differentiate itself from China. Tokyo has indeed promoted its "quality infrastructure" concept, which has been endorsed by the OECD and G20 as an international standard. This approach prioritizes the sustainability of infrastructure projects, taking into account environmental, labor and fiscal norms to support regional connectivity.

Another notable strategic move by Tokyo was the decision to include the French territories of New Caledonia and French Polynesia in its PALM process; both territories became full members of the PIF in 2016. This move coincided with President Macron's announcement of France's own Indo-Pacific approach in Sydney that year.⁶⁵

The PALM 9 Leaders Declaration in 2021 emphasized the sharing of liberal principles as the premises for collaboration,⁶⁶ and Prime Minister Suga announced his Kizuna Initiative to "further strengthen the cooperation between Japan and the PICs through 'All Japan' efforts based on Japan's FOIP vision, including through Japan's Interagency Committee for Promoting Cooperation with the PICs (set up in 2019)".⁶⁷ This committee aims to enhance the coherence of Japan's approach to the region, by better coordinating its various dimensions.⁶⁸

It should be noted that the PALM process still aims at addressing the irritants in the relations between Japan and the Pacific Islands. In particular, the issue of nuclear waste, especially after the 2011 Fukushima nuclear disaster triggered by the Tōhoku earthquake and tsunami, remains sensitive. The PICs have consistently voiced their concerns about Japan's discharge into the ocean of wastewater from the damaged Fukushima Daiichi power plant, calling for greater transparency and communication from the Japanese authorities. In February 2023, a delegation from the PICs visited Japan to collect information about the proposed discharge into the Pacific of treated nuclear wastewater from Fukushima.⁶⁹

^{64.} Indeed, in September 2017, the PIF decided to conduct an audit of all ships registered in the Pacific to investigate any potential links to North Korea, following a report from Fiji about 20 vessels with false flags, which it suspects were being used by Pyongyang to evade UN sanctions. 65. Speech by Emmanuel Macron, "Discours à Garden Island, base navale de Sydney", May 2, 2018, available at: <u>www.elysee.fr</u>.

^{66.} The Ninth Pacific Islands Leaders Meeting (PALM9), Leaders Declaration, June 2, 2021, Japan MOFA, available at: www.mofa.go.jp.

^{67.} Ibid.

^{68.} H. Shiozawa, "The Pacific Islands Leaders Meetings: Past, Present and Future", 2022, op. cit., p. 186.

^{69. &}quot;Pacific Islands Forum Mission Completes Visit to Japan", Tokyo, February 10, 2023, available at: <u>www.forumsec.org</u>.

Working with Partners to Realize FOIP in Oceania

Japan has stepped up its cooperation with its closest allies and partners, the US and Australia, as part of the operationalization of a Free and Open Indo-Pacific in Oceania.

The Trilateral Infrastructure Partnership (TIP) set up in 2018 with Washington and Canberra aims to coordinate the infrastructure initiatives and mobilize private-sector investment, in particular for digital connectivity and energy infrastructure, to serve as an alternative to China's BRI in the Pacific region.⁷⁰ The partners conducted joint missions for identifying prospective projects in Papua New Guinea in April 2019 (in particular on a liquefied natural gas project),⁷¹ in Indonesia in August 2019, and in Vietnam in 2020 and October 2022.

However, the first project executed under the partnership is the financing of a submarine cable in Palau.⁷² In late 2020, the Japan Bank for International Cooperation (JBIC) approved a loan to connect Palau to a large-capacity cable running from Singapore to the US mainland, and NEC was tasked with laying the 110km of cables by the end of 2022.⁷³ Japan holds a prominent role in the global submarine cable industry and local needs are important. In December 2021, a cable linking Kosrae (FSM), Nauru and Kiribati, to improve communications for more than 100,000 islanders, was financed by the TIP trio. This initiative made it possible to thwart a Chinese project that, according to the US, would have undermined the security of communications to the American states in the area, in particular Guam.⁷⁴

The opening in March 2022 of the first office of the JBIC in Sydney demonstrates Tokyo's recent reinvestment in the region, and the need to support coordination with its local partners. Among the most recent projects, JBIC, along with Chugoku Electric Power, invested in Energy Fiji Ltd (EFL) to expand renewable energy in the Fijian islands.

Japan is also an active participant in the Quadrilateral Security Dialogue (Quad) framework, along with the US, Australia and India.

^{70.} Joint Statement of The Governments of Australia, Japan, and The United States of America on The Trilateral Partnership for Infrastructure Investment In The Indo-Pacific, November 12, 2018, available at: www.mofa.go.jp.

^{71.} H. Kodachi, "Japan, US and Australia begin own 'Belt and Road' in South Pacific", *Nikkei Asian Review*, June 25, 2019, <u>https://asia.nikkei.com</u>.

^{72.} Another project saw the three partners, along with New Zealand, decide in 2018 to support PNG's electrification project, with the aim of providing electricity to 70% of the country's population by 2030.

^{73.} Y. Hirose, "Japan, US and Australia to Finance Undersea Cable for Palau", *Nikkei Asian Review*, October 28, 2020, available at: <u>https://asia.nikkei.com</u>.

^{74.} C. Morel, "The Pacific Caught in the World Wide Web? Geopolitics of Submarine Cables in Oceania", Études de l'Ifri, September 2022, p. 27, available at: <u>www.ifri.org</u>.

In recent years, the Quad has placed more emphasis on the Pacific Islands. The Joint Leaders' Statement after the May 2022 meeting in Tokyo included a commitment to enhance cooperation with the PICs, in order to reinforce their economic, environmental, and political resilience.⁷⁵

The Quad also set up an Indo-Pacific Partnership for Maritime Domain Awareness (IPMDA) to respond to humanitarian and natural disasters, and to combat illegal fishing in the Pacific Islands by providing technology and training to support shared maritime domain awareness.⁷⁶ Japan already can share satellite images from its Advanced Land Observing Satellite-2 (ALOS-2) to help fight illegal fishing.⁷⁷ The Quad Partnership on Humanitarian Assistance and Disaster Relief (HADR) in the Indo-Pacific and the Quad Climate Change Adaptation and Mitigation Package (Q-CHAMP) are also expected to play a significant role in the Pacific.

Finally, Japan is a founding member of the Partners in the Blue Pacific, a US initiative gathering also Australia, Canada, Germany, New Zealand and the UK. This group aims to coordinate resources and avoid duplication while addressing gaps in support for the PICs, in areas such as climate adaptation, connectivity and transportation, maritime security, health, prosperity, and education.⁷⁸

More Assertive Security Cooperation

Japan has long been focusing on maritime security, reflecting its interest in fisheries and ocean governance. Tokyo could draw on its long experience in Southeast Asia to contribute to the maritime capacity-building of the Pacific islands, in particular through training programs on the law of the sea and the provision of equipment to monitor waters and enforce the rule of law at sea.

Only three Pacific Island countries have armed forces: Fiji, PNG, and Tonga. Security cooperation hence largely entails working with local constabulary forces. Japan's primary actors have also been civilian organizations, such as the Japan Coast Guard and the Sasakawa Peace Foundation. The security cooperation gradually evolved to integrate the Ministry of Defense (MOD) and broaden the areas of cooperation.

^{75.} Quad Joint Leaders' Statement, May 24, 2022, available at: <u>www.whitehouse.gov</u>.

^{76.} See Fact Sheet: Quad Leaders' Tokyo Summit 2022, May 23, 2022, available at: <u>www.whitehouse.gov</u>.

^{77.} Interview with a Japanese expert, June 30, 2022.

^{78.} Statement by Australia, Japan, New Zealand, the United Kingdom, and the United States on the Establishment of the Partners in the Blue Pacific (PBP), June 24, 2022, available at: <u>www.whitehouse.gov</u>, and, more recently: Strengthening Shared Understanding Among the Partners in the Blue Pacific and Pacific Islands: Illegal, Unreported and Unregulated Fishing (IUUF) and Maritime Domain Awareness (MDA), Office of the Spokesperson, US Department of State, January 27, 2023, available at: <u>www.state.gov</u>.

Beyond capacity-building in maritime security, activities have been more related to defense diplomacy, goodwill exercises and even projection of soft power, rather than a demonstration of Japan as a hard-security provider. The Self-Defense Forces (SDF) started to engage with the PICs in 2012, when the MOD set up its own capacity-building program. For example, since 2015, the Ground SDF contributed to the establishment of and has been training a military band in PNG.⁷⁹ Also, the Air SDF joined the US-led Multilateral Humanitarian Assistance and Disaster Relief Exercise "Christmas Drop" in Micronesia in 2015 and 2017. Cooperation through the Japan Coast Guard (JCG) also continues to expand in Micronesia with the support of the Nippon Foundation; in 2018, a 40-meter patrol boat was delivered to the Palau Coast Guard, and technical cooperation has heightened through the dispatch of members of the JCG Mobile Cooperation Team (MCT), which provides foreign coast-guard agencies with capacity-building in maritime safety and security.⁸⁰

A shift was evident in 2018, when the Pacific Islands appeared for the first time in the annual Defense of Japan report and longer-term Defense Guidelines, which note that "Japan will promote port and airport visits by SDF as well as exchanges and cooperation that utilize capabilities and characteristics of each service of SDF".⁸¹

Remarkably, the 2021 iteration of the annual Indo-Pacific Deployment (IPD) saw the Maritime SDF destroyer JS Murasame make a port call in Port Moresby, PNG. In Palau, it delivered 75 judo uniforms and conducted a bilateral goodwill exercise. The unit also conducted a goodwill exercise with the Vanuatu Police Maritime Wing. In addition, in October 2021, Maritime Self-Defense Force Overseas Training Cruise units made a port call in the Marshall Islands, actively showing the flag in the region. In the Indo-Pacific Deployment (IPD) in 2022, the largest Japanese aircraft carrier, Izumo, was sailed through the Pacific Islands region, making port calls in Australia, Fiji, French New Caledonia, Palau, Papua New Guinea, Solomon Islands, Tonga and Vanuatu.⁸²

In September 2021, Japan held, in virtual format, the first session of the Japan Pacific Islands Defense Dialogue (JPIDD)⁸³ at the ministerial level, bringing together defense officials and representatives from 13 Pacific

^{79.} Defense of Japan 2022 (Annual White Paper), Japan MOD, p. 362, available at: www.mod.go.jp.

^{80.} N. Tuyoshi, "Japan Patrol Vessel Donation to Help Palau Counter Maritime Threats", *Nippon.com*, March 23, 2018, available at: <u>www.nippon.com</u>; "Technical Cooperation to the Palau Coast Guard", JCG, January 26, 2023, available at: <u>www.kaiho.mlit.go.jp</u>.

^{81.} National Defense Program Guidelines for FY 2019 and beyond, MOD, December 18, 2018, p. 17, available at: www.mod.go.jp.

^{82.} B. Felton, "Japanese Destroyer Visits Solomon Islands, Vanuatu on Indo-Pacific Deployment", *Overt Defense*, August 15, 2022, available at: <u>www.overtdefense.com</u>.

^{83.} Japan-Pacific Islands Defense Dialogue, Joint Statement, MOD, September 2, 2021, available at: <u>www.mod.go.jp</u>.

islands, Australia, New Zealand, France, the United States and Canada. It was the first-ever multilateral defense ministerial hosted by Japan and took more than five years to concretize. Topics discussed during the first JPIDD included FOIP, maritime security and the importance of enhancing cooperation among defense authorities on disaster risk reduction and resilience, building on Japan's 2021 initiative to establish a "Climate Change Task Force" in the MOD to study the security implications of climate change. The *Defense of Japan* report recognizes the practical difficulties of setting up such a dialogue, coordinating with all countries, ensuring connectivity, and achieving a consensual joint statement.⁸⁴

Japan is also expanding its cooperation with allies and partners in the security field. The 2021 PALM 9 Joint Action Plan⁸⁵ refers to activities such as capacity-building training in maritime law enforcement, development of marine charts, and provision of maritime security equipment, to be held along with Australia, the US and other partners where appropriate. Tokyo and Canberra are also jointly training Fiji soldiers in military medicine and helping to build humanitarian assistance and disaster relief (HADR) capacity in PNG. Australia supported Japan in becoming an observer to the South Pacific Defence Ministers' Meeting (SPDMM) in 2022.⁸⁶ Japan participates in naval exercises organized by Australia (Kakadu) and the United States (RIMPAC) in the Pacific, as well as in the Pacific Environmental Security Forum (PESF) launched by the United States Indo-Pacific Command (USINDOPACOM).

Tokyo is also strengthening its cooperation with the French forces in the Pacific; since 2014, the SDF have regularly participated in the Southern Cross (Croix du Sud) multinational emergency humanitarian intervention exercises conducted by France in New Caledonia, and Japan sends officials to the multinational Marara HADR exercises held in French Polynesia. Since 2018, the French Armed Forces in Polynesia (FAPF) conduct an annual joint training exercise with MSDF, the bilateral "Oguri-Verny" exercises. The 2022 iteration gathered the Japanese destroyers Izumo and Takanami and the French frigate Prairial before participating in the RIMPAC-22 exercises. The JCG also participated in November 2021 in the first Pacific Coast Guard network seminar organized by France and held in Tahiti, aiming at systematizing cooperation in protecting maritime areas and providing assistance in the case of natural disasters.

^{84.} Defense of Japan 2022 (Annual White Paper), Japan MOD, op. cit., p. 361.

^{85.} Joint Action Plan for Strengthening Pacific Bonds and for Mutual Prosperity, July 2, 2021, available at: www.mofa.go.jp.

^{86.} A meeting that brings together defense ministers from countries located in the South Pacific (the seven countries of Tonga, Australia, New Zealand, PNG, Chile, France, and Fiji) to discuss a variety of security-related issues essential to maintaining peace and stability in the region. Source: Defense of Japan 2022 (Annual White Paper), Japan MOD 2022, *op. cit.*, p. 331.

The inclusion of New Caledonia and French Polynesia in the PALM Summit from 2018 and the Reciprocal Access Agreement under discussion between Japan and France are also likely to further strengthen bilateral ties in these territories.

Conclusion

Despite the rise of Japanese cooperation, which is now truly multidimensional and strategic, Tokyo's ability to influence the Pacific islands and in particular to counterbalance China remains to be seen. The people of Oceania feel little concerned by major geopolitical projects and are careful not to create enemies. Only five out of the 12 Pacific nations (Fiji, the Marshall Islands, the Federated States of Micronesia, Palau, and PNG) are openly endorsing FOIP.⁸⁷ In contrast to ASEAN, the PICs have demonstrated no intention of developing their own Indo-Pacific strategic framework or integrating Japan's FOIP concept into their individual national policies.⁸⁸ It is thus paradoxical that Japan and other external powers are re-engaging with Oceania under the banner of their Indo-Pacific strategy, while the PICs uphold their principle of being "friends to all, enemy to none". The PICs, in all their official documents, describe climate change as the existential threat to their security and wish to stay away from the geopolitical competition between the United States and China.

That said, Japan is seriously committed to the region. As of March 2023, Tokyo has 10 embassies in the 14 countries of the region – more than Washington, which has only five⁸⁹ – and continues opening new diplomatic representations. In addition, Japan keeps expanding people-to-people exchanges, technical and professional training programs, and university and sports activities, which are creating strong interpersonal links and nurturing relationships over the long term. Finally, Tokyo adapts its assistance to the PICs' needs in terms of development, climate and human security, and connectivity, as such a concrete approach is likely to have a stronger geopolitical impact than focusing on great-power competition.

Tokyo is contemplating a reshaping of its PALM Summit format to enhance the implementation of this strategic approach. It may adopt a more customized and comprehensive policy toward countries in the region, by diversifying its partners beyond the secretariat of the PIF – which plays a significant role but does not always reflect the diversity of views of the

^{87.} H. Shiozawa, "The Pacific Islands Leaders Meetings: Past, Present and Future", 2022, *op. cit.*, p. 185.

^{88.} K. Koga, "Japan's Strategic Approach toward Island States. Case of the Pacific Islands", 2022, *op. cit.*, p. 65.

^{89.} Japan has embassies in Fiji, Kiribati, Marshall Islands, FSM, Palau, PNG, Samoa, Salomon, Tonga, and Vanuatu. In July 2022, the US announced the opening of two new embassies, in Kiribati and Tonga, and in January 2023 reopened its embassy in the Solomon Islands. These add to the representations in Fiji, PNG, and the Freely Associated States.

Pacific nations – by involving the private sector in PALM and by strengthening coordination with former colonial powers such as France so as to have greater impact. Hence, Tokyo could develop its relations with the three subregional groupings: the Melanesian Spearhead Group, the Polynesian Leaders Group and the Micronesian Presidents' Summit.⁹⁰ A permanent secretariat to the PALM could also be set up to ensure greater continuity in the cooperation.⁹¹ This kind of approach also blends well with the Quad and PBP initiatives.

With the US and its other partners increasing their presence in the area, there is a strong impetus for Japan to reinvest in the Pacific. However, Tokyo has yet to develop a formal strategy or vision for the region. This could be announced at the next PALM Summit in 2024, which will mark the 10th iteration of this meeting. The upcoming PALM 10 could thus serve as a significant milestone to demonstrate Japan's heightened involvement in the region.



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