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**Remarks by
Herman Van Rompuy
President of the European Council
in the context of the EU-Japan Summit**

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Before taking some questions on today's Summit, I should like to make a few remarks on how I see the evolving relationship between Japan and the European Union.

Japan and Europe have a lot in common today. We, as civilian powers, are both committed to the value of democracy and the principles of the market economy. After 1945, both Western Europe and Japan lived under the military protection of the United States. In the Cold War, the Americans helped us to defend ourselves against communist Russia and against communist China, respectively.

This post-war alliance with the U.S. also allowed both of us to develop economically. What's more, Europe–America–Japan became the fundamental triangle in the global trade system. These trade relationships were sometimes tumultuous, but also very stimulating and beneficial to our welfare.

Now, this post-war world has transformed after 1989 and the end of the Cold War. Russia has undergone a fundamental political rebirth and became a member of the G7, now the G8. China, even with its political system, has become an integral part of the world trade system. The relationship America has with both Europe and Japan is no longer one of existential dependence but rather an evolving partnership. For Washington there is much less at stake; the more so since new actors arrive on the scene. In this respect also, we Europeans and you Japanese find ourselves in the same boat. We are both in the process of redefining our relationship towards the United States, and vice-versa. Although I am not familiar with the intricacies of the Japanese political system, this seemed to be one element explaining the result of the Japanese Lower House elections of September 2009.

P R E S S

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But what is the effect of this changing strategic landscape on our bilateral relations? Are we mere spectators or do we perhaps have an important opportunity in front of us to engage relations more closely between Europe and Japan? I will have an opportunity to discuss this with Prime Minister Hatoyama later this week, but let me just say that in my view politics is not a spectator sport. When history offers an opportunity, it is the politicians' responsibility to translate it into not only a joint vision but also to joint action to help creating a new reality.

Let me first talk briefly about our side of the EU–Japanese relationship.

In the European Union, we just have a new Treaty between the 27 Member States, the Lisbon Treaty. We discussed a long time about it, but since five months it is in place.

A main driving factor behind the Lisbon Treaty was the wish of the Member States to have a stronger European foreign policy. The EU has had, ever since the 1960's, a common foreign trade policy; it was a necessity because of our *internal* economic integration. Now, Europe wants to be able to deal with the world not just economically, as a trade partner, but also politically.

In this respect, the two main innovations of the Lisbon Treaty are the creation of two permanent posts: the High Representative for Foreign Affairs, the mandate assigned to Catherine Ashton, and the permanent President of the European Council, the post I occupy.

Prior my new permanent job, we had a rotating Presidency: every six months another Prime-minister or President of a Member State was at the helm. By contrast, I will be president not just for six months, but 2,5 or 5 years, so five or ten times longer. It has also become a full-time job, and so I stepped down as Belgian Prime-minister. The Permanent President is responsible for organisation of the work of the European Council of Heads of State or Government in the medium and long term. This is a fundamental change, aimed at ensuring stability, continuity, and predictability.

Please allow me to say some words on recent developments in Japan. I find them very interesting.

Whereas last year's renewal on our side was the Lisbon Treaty, the renewal on your side has been a change of government via the ballot box, a rare thing. It would not be appropriate for me to comment on this issue. In voting the Democratic Party into office, the Japanese people showed that they wanted change. It simply is a fact. Did the call for change arise for domestic reasons? Or also because of Japan's place in the changing world? Maybe it is hard to distinguish between the two, since the elections took place in the midst of the global financial crisis...

I consider three aspects of Prime Minister Hatoyama's policies very interesting. From an outsider's perspective, they seem to point in the same direction: an effort to bring more politics into the Japanese system.

First aspect: the effort to restrain the power of the bureaucracy somewhat in favour of those who are elected and responsible in parliament. This is no doubt difficult, but highly commendable.

Second aspect: the redefinition of Japan's relationship with the United States, the bilateral alliance, but still as an ally. Again, it would not be appropriate for me to comment on this delicate issue. Let me just say that, in view of the almost symmetrical situation we have in Europe, I will follow the developments with a particular interest (even if the main institutional partner of the Americans in this respect is NATO, not the EU).

Third aspect, a most interesting one as well: Prime Minister Hatoyama's call for an East-Asian Community. A cooperative partnership including Japan, China and South-Korea would be a formidable break-through. A clear end to a long history of conflicts between your peoples. Is it possible? Well, at least, it is not impossible. Thanks to the human capacity for freedom, age-old patterns can sometimes be overcome. The European Union itself is a good example, as Mr Hatoyama is aware of. In two weeks time, we will celebrate in Europe the 60th anniversary of the Schuman Declaration. This was the call by the then French Foreign Minister to build common European institutions for the mining sector. Although apparently on a technical, economic issue, this declaration was – just five years after the end of the Second World War – a highly political act. It was a courageous act of reconciliation and peace between the age-old enemies France and Germany. Nobody knew it at the time, just as nobody knows today what will happen to an eventual East-Asian Community. Every revolution begins with a small step.

Now, this brings me to the upcoming Summit. I am delighted that Japan is to be the first country with which the EU holds a summit outside Europe after the entering into effect of the Lisbon Treaty. We have important steps to take together. Therefore I am looking forward to meet Prime Minister Yukio Hatoyama later today; so do, undoubtedly, Commission President José Manuel Barroso and High Representative Ashton, who shall both join me.

It must be clear by now why the moment is very appropriate to re-energize the relationship between Japan and the EU. We defend the same values and the same type of societies. We are both adapting to a rapidly changing global world. As a consequence, both Europe and Japan need to be not only global *economic* actors, but also global *political* actors. We are both getting ready for this. It is of utmost importance that our collaboration should reflect this new context. Our bilateral relationship should not only be about trade, but expand to more political domains. Fortunately, this is already happening. For all these reasons, in European-Japanese relations, 2010 can be the year of a new beginning!

To finish, I should like to briefly mention four issues where our relationship could become more intense: trade, foreign policy, network security, climate.

Let's start with trade, because it will remain the backbone of our relationship. Of course, an obvious way to intensify the trade between our two blocks would be a Free Trade Agreement. Japan has asked for a feasibility study. In the European Union, some feel it is a little premature to commit ourselves to this. Many so-called non-tariff barriers to trade remain in place, which hamper access to the Japanese market. Therefore we could perhaps take some more time to first identify the objectives both parties want to reach. The benefits of abandoning tariffs should not all fall on way side. But we are open to discuss it, and I will say so to the Japanese government.

Secondly, foreign policy. As I said, it is important to develop the political, strategic side of the relationship in parallel to the economic aspects. We are seeking to cooperate closely on a range of global issues and to have a close political dialogue covering the full gamut of foreign and security policy. This ranges from the situation in East Asia, in Afghanistan, the Middle East or Africa to questions such as terrorism, piracy, nuclear non-proliferation, the fight against poverty, the promotion of human rights or the security aspects of energy supply and climate change.

It can be more than dialogue. Take Afghanistan. We are very keen to discuss and cooperate with Japan on reconstruction and reconciliation efforts in Afghanistan, for instance in working together in police training.

Thirdly, network security. The challenges facing the world today are not only traditional threats. Threats of a new kind undermine the security of our free societies and the networks these societies are built on. Our societies live by the grace of a free flow of goods, people and information. Networks are the arteries of the global economy. Think of the internet and telecommunications, banking and money transfer systems, airports and energy grids. These networks are vulnerable. Cyber attacks against these nodes of modern life are no fantasy: they can happen (and do happen) every day. We must enhance our resilience against these. Both Japan and Europe are so deeply embedded in global networks that we must do this together.

Fourth and finally, global climate politics. I already mentioned the Copenhagen Climate Summit of December 2009, where both Europe and Japan were sidelined. However, in the run-up to that Summit, we Europeans noticed with satisfaction the policy change of the Hatoyama government. Whereas the EU pledges to reduce CO₂-emissions with 20 percent (30 percent if others make comparable efforts), Japan went from minus 5 to minus 25 percent. Thus, both Europe and Japan set the example. It was a pity that the other actors did not follow us. I am also disappointed to hear that some big countries reject the Copenhagen Accord as the basis for further work. Japan and the EU are not only at the forefront in terms of emission reduction: in Copenhagen, the EU and Japan committed for 80% of the fast-start finance to developing countries (30 billion for 2010-2012). As the two major donors, maybe we could reflect on how to coordinate the implementation of our commitment?

In all these issues, we will be stronger in facing the challenges of a changing world, if we work together. To share the burden and to lead the way, we need to team up with each other. I believe that the EU and Japan, with our combined economic and political strength, can help make a difference in an increasingly globalised world.

That is why I am really looking forward to our Summit.
