

Hon. Tsutomu Takebe, Chairman of the Toa General Institute

Honored Guests, Ladies, and Gentlemen,

At the outset, allow me to reiterate the deepest appreciation of the Filipino people and Government for the timely and substantial assistance, both monetary and in kind, and the strong display of solidarity of the international community, especially the Japanese people and Government for those affected by the 7.2 magnitude earthquake and super typhoon *Yolanda* or *Haiyan* that struck central Philippines in the last quarter of 2013.

### **Friends in Need, Friends indeed**

Super Typhoon Haiyan overwhelmed our disaster preparedness infrastructure and left utter devastation. Images on TV leave viewers incredulous, teary-eyed and heavy-hearted. For many, the scenes eerily evoked the painful devastation of the coastal towns of Iwate-ken and Miyagi-ken in March 2011. Over 8 months have passed since Typhoon Haiyan, and the pain is slowly giving way to hope.

The Philippines is now mobilizing all its resources to fast track rehabilitation operations. We launched, RAY or the Reconstruction Assistance on Yolanda, which is our strategic guide to recovery and reconstruction. We plan not only to rebuild the economy but also to build back better communities. Priority is accorded to rebuilding destroyed facilities, restoring social services and reviving economic activity in affected areas.

Initial reports indicate that the Category 3 Typhoon Rammasun that pummeled through Southern and Central Luzon recently may have inflicted lesser damages to lives and property because of the preventive measures learned as a result of Haiyan.

Indeed, the renewed hope and returning optimism of our affected citizens also derive from the overwhelming outpouring of support from our friends in the international community.

Japan has shown great sympathy and generosity to my country on many occasions. The Japanese public and private sectors moved swiftly and substantially to lend much-needed humanitarian assistance and relief to the the disaster-affected areas.

To date, Japan has committed to provide at least US\$113.1 million from public and private sectors and has dispatched Japan Disaster Relief (JDR)

Medical Teams, JICA experts and members of the Japan Self-Defense Forces (SDF) to aid in the emergency response in affected areas.

The human, personal side of Japan's overwhelming support has also touched our hearts. At the Philippine Embassy, we received a steady stream of visitors representing the Japanese government, the diplomatic community, and corporate leaders.

Foreign Minister Fumio Kishida and his Vice Ministers themselves visited the Embassy to extend their condolences. But we just as honored and touched when six-year old pre-schooler Shoichi Kondoh came to our Embassy to share his savings of 5,000 yen, drawn from his empty piggybank. We were also moved by gestures such as that by private citizen Kenji Hirakawa, who donated 200,000 Yen to typhoon victims to honor the memory of the father he never met, a soldier who perished in the mountains of Luzon seventy years ago.

Like the Great East Japan Earthquake in March 2011, Typhoon Haiyan has powerfully underscored the bonds of Kizuna between our two countries. In 2011, we did our utmost to respond to Japan's time of need. This time, Japan stands with the Philippines in the most concrete and powerful way. While a painful chapter, the aftermath of Typhoon Haiyan also somehow fits into the theme of these remarks: the abiding strength of our cooperation and Strategic Partnership.

### **Long History of Exchanges**

Since the establishment of diplomatic relations in 1956, shared values, cordiality, and mutually-beneficial engagement have been the hallmark of the relations between the Philippines and Japan. Philippine-Japan relations are among our most active and dynamic, and its importance cuts across all aspects: political-security, economic, socio-cultural, consular and others.

The deep and historical ties between our two nations go beyond the 57 years of our diplomatic relations. Our more than half-century of diplomatic relations, however, must be viewed as part and parcel of the long history of exchanges between our two peoples. About five centuries ago, when an extensive trade network already linked China, India, and Southeast Asia, it was not at all difficult for Japanese traders to come to the Philippines. Historical records show that by 1603 as many as 1,500 Japanese nationals had settled in several Philippine provinces.

Pictured in this slide is the Bo Bankoku Jinbutsu Zu (Drawings of People from All Over the World), Important Cultural Asset to be found at Kobe City Museum. According to noted Philippine historian, Professor Ambeth Ocampo, this map was published in Nagasaki in 1645. [It] map was unique for its illustrations of the various peoples far from Japan, like the Americans, who were represented by Indians. One couple were described as "Ruson," proof

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that Luzon and its people were known to Japanese map makers as early as the 17th century.

“Ruson” in Japan in the 16th century pertained to jars imported from Luzon that were highly prized because they were believed to preserve tea leaves better than any other storage vessel. In 1594 Naya Sukezaemon, a merchant from Sakai, returned to Osaka from Luzon with 50 Luzon jars that sold for such high prices he made a fortune overnight. Unfortunately, these Luzon jars or “Ruson tsubo” were admired (and later coveted) by Toyotomi Hideyoshi, and that is what made a simple story the stuff of legend. Naya Sukezaemon was later known as Ruson (Luzon) Sukezaemon; his story was made into manga or comics, and even became a successful Japanese drama series in the 1970s.

Professor Ocampo further notes that “historical records suggest that Japanese were in the Philippines even before the islands were claimed by Spain in 1565. [He] also learned more about the role of typhoons in history because [his] students [as a visiting professor] in Tokyo once told him in jest that Japan imports typhoons from the Philippines annually. Typhoons challenged the Manila galleons that passed the coast of Japan on their way to Mexico. Japan was the last bit of land the sailors saw as they crossed the open sea; they did not sight land until California.

Manila and Acapulco were once important trading ports, so different from what they have become today...the now forgotten Manila galleon trade marks the beginning of what we know as globalization today.”

The first disruption in relations ensued after Japan instituted an isolationist policy. The exile of the Christian feudal lord Ukon Takayama and 300 of his followers to Manila in 1614 was the last major event in Philippine-Japan relations for a long time.

It took more than two centuries for dialogue to resume, and only after Japan reopened itself to the outside world. A Japanese consulate was established in Manila in 1888, allowing Dr. Jose Rizal, who later became the Philippine national hero, to visit Japan that same year. From then on--and true to Rizal's prediction that the Philippines would have more intense and extensive relations with Japan--exchanges between the two countries took off strongly.

In 1903, during the American colonial administration of the Philippines, Japanese nationals began immigrating. They came to work in construction and on plantations. Many married Filipinas, and a good number settled in Baguio in Northern Luzon and Davao on the southernmost island of Mindanao, where they helped develop the agricultural sector. This now is the place from which Japan now imports the bulk of its mangoes, bananas and pineapples.

Japanese migration to the Philippines was noteworthy for its scale. By 1938, of a total Philippine population of 16 million, 29,057 were Japanese nationals. Trade was also strong. In the 1930s, Japan was the Philippines' second-largest trade partner, after the United States--presaging the present situation.

World War II disrupted this partnership for the second time. It took many years for Filipinos to look on Japan without hostility, even after the ratification of the 1951 San Francisco Peace Treaty by the Philippine Senate in 1956. Nonetheless, the healing process was steady and sure. The generous and forgiving cultural trait of Filipinos, with their forward-looking, optimistic outlook, contributed much to the normalization of bilateral relations.

Despite the painful experience of the war, Philippine-Japan relations today no longer suffer from a historical burden. Today, our relationship with Japan is one of our most important. Japan is one of only two strategic partners of the Philippines. Japan has been our companion, supporter and ally toward economic progress, providing us the needed technology to achieve our development goals and cope with disasters.

Japan remains one of our most important economic partners, and economic cooperation is the most felt aspect of our bilateral relations.

### **More Integrated Economies: Shared Prosperity**

Japan continues to be the Philippines' top trading partner. Two-way trade reached US\$ 16.64 billion in 2013, with the balance of trade in favor of the Philippines. Japan was also the country's top export market and third biggest source of imports (next to US and China) in the same period.

As for investments, Japan was the Philippines' second largest source of approved foreign investments in 2013, with approved investments amounting to PHP 44.64 billion (approximately US\$1 billion).

Japan continues to be the Philippines' 3rd top source of foreign tourists, accounting for 433,705 tourist arrivals in 2013. This pleases us, as Japan is one of our core tourism markets.

As the first and only bilateral free trade agreement of the Philippines thus far, the Philippines-Japan Economic Partnership Agreement (PJEPA) is the pillar of our joint effort to further expand and develop our strategic partnership in the economic arena. Since its entry into force in 2008, indicators suggest a positive impact by the PJEPA that helped make Japan our top trading partner. We hope to further strengthen our trade relations through the established consultative mechanisms under the PJEPA.

Since 2009, more than 600 nurses and caregivers have entered the Japanese labor market through the PJEPA. The Philippines and Japan remain fully committed to increase the success rates in the Japanese licensure

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examinations through various measures including improvements in the Japanese language training of the candidates.

Japan is also our largest source of Official Development Assistance (ODA) to the Philippines. As of June 2011, the total amount of ongoing ODA reached 2.69 billion dollars.

Japan has been the top donor country to the Philippines for many years. Japan's assistance--which is spread over various fields such as infrastructure development, agriculture, human resource development, power and energy, environment, health, and disaster preparedness--benefits a large number of Filipinos.

The Philippines is steadily attaining its economic and development objectives. We thank Japan for its support for our economic roadmaps, including the present Philippine Development Plan 2011-2016 and the Philippine Transport Infrastructure Roadmap

Japan has also been an important partner in helping move the peace process in Mindanao forward through its numerous and constructive engagements. Japan's unwavering commitment to realize lasting peace and sustainable development in the Philippines, particularly in Mindanao, is demonstrated by its presence in the International Monitoring Team and the International Contact Group.

We acknowledge the extensive support provided by the Japanese Government through its socio-economic and development assistance programs in conflict-affected areas in Mindanao under the Japan-Bangsamoro Initiatives for Reconstruction and Development (J-BIRD). Indeed, Japan, JICA, JBIC and J-BIRD have become symbols of peace, hope, and sustainable development for the Filipino people.

Despite the challenges we faced during 2013, the Philippine economy grew by 6.5 percent in the fourth quarter of 2013, placing the full year Gross Domestic Product (GDP) growth to 7.2 percent. This is a remarkable turnout: the economy grew better than our expected target of 6.0 to 7.0 percent for 2013. Nonetheless, the Philippines remains as one of the best performing economies in the Asian region in the fourth quarter of 2013, second only to China, which grew by 7.7 percent.

This growth was buoyed by the expansion in investments, including public infrastructure through direct government spending and flagship Public Private Partnerships, consumer spending, higher business and consumer confidence, favorable interest rates, stable inflation, strong inflows of overseas Filipinos remittances, high inbound tourism, and an optimistic domestic economic outlook.

These strong macroeconomic fundamentals did not remain unnoticed. As a result, the country has managed to increase its competitiveness rankings and receive investment grade status from all major international credit-rating agencies

Agriculture and industry sectors are expected to be vibrant this year, as the government promotes linkages between the two sectors to increase value added as a key strategy identified in the Philippine Development Plan (PDP) midterm update. The construction of major infrastructure projects, particularly in the transport sector, is expected to add fuel to the growth this year and beyond.

Notwithstanding this vibrant outlook, we remain keen on the domestic and external challenges that the economy is facing. We are also aware that growth remains uneven, as some areas have higher growth potentials than others. The strategies in the updated PDP take cognizance of the spatial dimensions of development in our pursuit of poverty reduction.

The Philippines is lengthening its strides towards becoming a globally competitive hub of international business and trade. This era of revitalization, and renewed interest from the international community have been brought about by our concerted efforts to institutionalize reform, and present a vital opportunity for you to more actively participate in our country's renewal.

### **Strategic Partners for Peace and Security**

The dynamism, direction and strength of our ties owe themselves largely to our tradition of high-level visits, regular dialogues, and policy consultations over the past five decades.

Bound by shared values and common interests, and being two major maritime nations whose security and economic lifelines lie in the protection of global maritime commons, the enhancement of the Philippine-Japan Strategic Partnership in the political-security area is receiving particular attention.

During Prime Minister Abe's visit to the Philippines last July 2013, President Aquino and Prime Minister Abe confirmed the importance of Philippine-Japan dialogue on maritime and oceanic affairs. They shared the view that they will move ahead with various kinds of exchanges and practical cooperation, beginning with joint exercises between defense authorities and coast guard agencies. Based on a request from the Philippines, Japan will provide 10 patrol vessels through a yen loan in order to enhance the capacity of the Philippine Coast Guard.

On promoting national security, the Philippines is working to secure and protect our territorial integrity, which includes our maritime domains.

The West Philippine Sea (South China Sea) remains a core national interest and we are working to ensure that "what is ours is ours." As we have maintained many times before, a rules-based approach is the only legitimate and viable way in addressing disputes in the West Philippine Sea. In this regard, we have formulated a comprehensive foreign policy which is composed of three tracks: political, diplomatic and legal.

The political track involves working with ASEAN partners for the full and effective implementation of the ASEAN-China Declaration on the Conduct of Parties in the South China Sea (DOC) and the expeditious conclusion of the Code of Conduct.

The diplomatic approach involves continuing dialogue with China.

The legal approach involves elevating the issue to a dispute settlement mechanism under the United Nations Convention on the Law of the Sea (UNCLOS). Currently, the Philippines is pursuing Arbitration as an open, friendly, peaceful, and durable mechanism. We believe that the Arbitration award will clarify the maritime entitlements for all parties, which will be the basis for the settlement of maritime disputes.

We greatly appreciate Prime Minister Abe's expression of support for Philippines' call for adherence to international law and a peaceful resolution in the territorial disputes.

### **Close People to People Links**

Nowhere is the Philippine-Japan strategic partnership more palpable and tangible than in the steady stream of people-to-people exchanges between both countries. The large Filipino community in Japan and the exchanges of tourists and visitors, students, nurses and caregivers, long-term expatriate workers and managers, are generating deeper understanding and cultural appreciation between our two peoples. There are around 235,000 Filipinos in Japan, making them the third largest group of foreign nationals in 2013.

As mentioned earlier, Japan remains our third top source of foreign tourists. Japan, for its part, is seeking more foreign tourists from diversified markets, including the Philippines. With our two governments agreeing last September to double flights to our airports, we hope to welcome more Japanese visitors to our shores. The Philippines offers best value as tourism destination, retirement haven and even as a center for medical tourism. With visa requirements for Filipinos further relaxed this year, we also hope to encourage more Filipinos to visit and experience the beauty of Japan.

We also appreciate Japan's programs to promote cultural contacts and mutual understanding, especially among the youth, our next generation of leaders. The Japan-East Asia Network of Exchange for Students and Youths (JENESYS) and the Ship for Southeast Asia Youth Program (SSEAYP) have

contributed to deepening people-to-people connectivity within our region, and between Japan and ASEAN.

### **Conclusion**

In closing, at 58 years, Philippines-Japan ties have matured well and have strengthened into a strategic partnership that can serve our mutual interests and collective aspirations in the so called age of the Asia-Pacific century.

Based on common adherence to democratic principles, respect for human rights, and good neighborliness, the relationship has had a positive effect on regional peace and prosperity—and will continue this way far into the future.

*Arigato gozaimasu.*