

Priority directions of Japanese-Russian cooperation

Russian-Japanese economic and political relations are developing swiftly during the last years. Japan and Russia are important partners in solving international problems today. Our cooperation is based on such universal values as freedom, democracy, supremacy of law and respect of basic human rights.

Russia and Japan are the leading countries of Asian-Pacific region. Geopolitical interests of different states have been confronted on this territory repeatedly. It had an influence on Russian-Japanese relations. During more than one hundred and fifty year period of the history of our relations there have been periods of contradictions as well as peaceful times. However, there has always been the atmosphere of respect between our countries. Strategic tasks of Japan and Russia make them exchange energy and financial resources for mutual development. In the beginning of the XXI century we are starting a new way of evolution of our relations.

In the recent years Japan and Russia have focused their attention to the strengthening of stability in Asian-Pacific region. They cooperate in the struggle against international terrorism, non-proliferation of weapons of mass destruction; take part in the work of G8 and ASEAN.

Development of our political relations received a fresh impetus in the last decade. There were several bilateral meetings of the leaders of our countries. "Japan-Russia Plan of Action" that was adopted in two thousand and three, became a significant contribution to strengthening of relations between two countries. There interaction strategies were developed in various fields: intensification of political dialogue, cooperation on the international arena, in trade and economic, scientific and technical spheres, developing cultural links and exchange between peoples of our countries.

There is a growth of economic partnership which should raise an effectiveness of production, increase aggregate economic strength, and outline the way of integration between our countries. Economic cooperation will help to strengthen the economic and political position of Japan and Russia, to raise their influence in solving regional and global matters.

More and more Japanese companies work in Russia. One of the recent examples is the beginning of building Toyota and Nissan factories in Russia. Russian companies are interested in Japanese high-technological projects. Possibilities of increase of Russian energy resources supplies to Japan are being discussed. Our countries should maintain global and regional security for achieving their political, economic and social goals in the XXI century.

For maintaining security in the Asian-Pacific region it is necessary to develop cooperation in ASEAN. For global security the cooperation should be at the level of the UN Security Council. The role of Japan in the international peacemaking operations, non-proliferation of the weapons of mass destruction, settlement of regional conflicts is increasing. Economic growth and becoming the economic leader of Asian region caused the increase of Japanese role in global politics.

Speaking about security it is important to note energy security. The importance of this topic was emphasized on the G8 summit in July this year. Challenges to global energy security were discussed and common goals and approaches aimed at ensuring sufficient, reliable and environmentally responsible supplies of energy at prices reflecting market fundamentals were set out during this meeting. Cooperation in the sphere of energy may cause intensive integration processes like the Coal and Steel Community in the European Union.

Let us think of a question, how the development of relations in the energy field between Moscow and Tokyo will influence the general development of our countries and

the entire Asian-Pacific region and which guidelines of energy security should be considered as the higher-priority.

I. Development of our countries and APR because of cooperation in the field of energy.

1.A. Objective preconditions for development of partnership in the field of energy.

In Asian-Pacific region cooperation in energy field is one of the prospect directions. The own stocks of energy resources of APR countries are limited; they depend on supplies from unstable regions of the Middle East and Indonesia. Active developing countries of the region as well as already developed ones are in the need of diversification of their own energy delivery. One of the ways of diversification is using the richest hydrocarbon stocks and electric power resources of Eastern Siberia and Russian Far East. It is appreciated that by the year 2030 the demand for energy resources will increase in 1,5 times and essential increase of consumption will be in APR.

Because of: geopolitical position, existence of energy stock and unstable situation in the Middle East, Russia may play a central role in the establishing of multilateral energy cooperation of the APR countries. It is appreciated that primary potential resource on the Siberian platform are estimated by natural gas in 43790 billion cubic meters, by oil – 11830 million tones. On Sakhalin shelf there are 3360 billion cubic meters and 935 million tones correspondingly.

The Tokyo Center of the research into problems of energy of APR countries forecasts an increase in oil consumption by the year 2020.

The results you may see in the table.

Production and consumption of oil and gas in the North-Eastern Asia in 1999-2020.

	Extraction		Consumption		Import		depending on import %	
	1999	2020	1999	2020	1999	2020	1999	2020
China	159,9	151,9	204,3	497,5	44,4	345,4	21,7	69,5
Japan	0,7	0,0	266,4	288,4	265,7	288,4	100,0	100,0
Korea	0,4	0,4	99,9	163,0	99,5	162,6	99,6	99,7
Russia	304,9	377,7	377,7	197,8	-177,9	-179,9	-139,5	-91,0

Source: APEC Energy Demand and Supply Outlook 2002, *APERC, Tokyo 2002, p. 56*

The APR countries may satisfy their quickly increasing needs in oil and gas by regarding Russia as an important supplier of energy resources.

1.B. How cooperation in energy area will influence the development of our countries.

Exploitation of hydrocarbon resources of Siberia and Far East demands billions of investments. Moreover it is necessary to use high technologies, that is why mutual efforts are essential. Exploitation of energy resources of Eastern Siberia and the Far East will allow developing these regions economically and by this solving the problem of equal economic development of Russia. For Japan investing in Russia means insuring the strategy of energy safety and further stable development. Investment in Russia will let Tokyo occupy the leading part in East-Asian market of hydrocarbons.

The forming of united network of oil and gas pipelines will play the most important role on the way of integration of the countries of the Asian-Pacific region. Authoritative experts spoke out the idea of creating united oil-gas pipeline network in North-East Asia with the center in Sakhalin already in 1995.

The G8 Summit in July brought the problems of ensuring of energy security to the international level. It has showed the coincidence of positions of the Heads of State. This gives hope for successful development.

II. Several priorities of energy security development.

During the last G8 summit, such issues as energy efficiency, energy saving and diversification of energy mix were discussed. Much attention was paid to environmental problems.

2.A. Enhancing energy efficiency, energy saving and diversification of energy mix.

During the summit Heads of State declared the following: “Energy saved is energy produced and is often a more affordable and environmentally responsible option to meet the growing energy demand. Efforts to improve energy efficiency and energy saving contribute greatly to lowering the energy intensity of economic development thus strengthening global energy security. Increased energy efficiency and conservation reduce stress on infrastructure and contribute to a healthier environment through decreased emission of greenhouse gases and pollutants”.

“...for energy intensive products, encourage the development, extension and deployment of best practice energy efficiency labeling programs, and increase efforts to adopt the most stringent energy efficiency standards that are technically feasible and economically justified...”.

Attention was also paid to the energy sector itself. Oil and oil products losses in production and transportation should be minimized.

Diversification of the energy mix is one of the most important tasks of the future. It was said: “Diversification of the energy mix reduces global energy security risks. We will work to develop low-carbon and alternative energy, to make wider use of renewables and to develop and introduce innovative technologies throughout the entire energy sector”.

Creating innovative technologies and alternative energy is one of the most important directions of cooperation between Japan and Russia.

2.B. Solving of ecological problems.

During the Summit in Saint-Petersburg, Russia and Japan had confirmed their intention to reduce an emission greenhouse gases, global improvement of condition of environment. There was underlined the importance of Kyoto protocol and the necessity of its observance.

In 2003 “Japan-Russia Plan of Action” was adopted; there the importance of development of cultural ties was underlined. According to this plan festivals of culture are held to acquaint Russian and Japanese people with cultural values of each other. Exchanges among young people of our countries are being enlarged. The development of contacts among students, youth organizations and representatives of non-governmental organizations is also promoted. As you can see, this forum is an example of such practice.

In conclusion I would like to say that of course there are a lot of unsolved problems, but every year they are reduced. We should continue solving this problems, it will be our contribution to strengthening relations between our countries.