

January 2023

The 30th Japanese-German Forum

Your Excellencies Prime Minister Kishida and Chancellor Scholz,

The Japanese-German Forum held its 30th joint meeting on November 17th and 18th, 2022. The Covid-19 pandemic forced us to abandon the event in 2020 and hold it online in 2021. However, this year we were able to hold a face-to-face meeting in Tokyo, where we had lively discussions and constructive exchanges among members. We would like to express our sincere gratitude to the Japanese and German governments for their generous support.

The outline of the discussions at this joint meeting and our recommendations to the Japanese and German governments are as follows.

The discussions centered on three themes: (1) Political and economic situations in Japan and Germany confronted by the Russian aggression against Ukraine; (2) Role of Japan and Germany in the international community where the authoritarianism of Russia and China is gaining momentum; and (3) New energy strategies to reflect not only "decarbonization" but "independence from Russia" and possibilities for bilateral cooperation in the energy field.

First of all, we would like to point out that many among both sides voiced their opinions throughout the two-day meeting emphasizing: (1) **Significance of strengthening the partnership between Japan and Germany, which share democratic values**, and (2) **Expectations for expanding bilateral cooperation toward stabilization of the international order, global decarbonization, and sustainable growth of the world economy**.

To summarize the discussions, in the first session on "Current Political and Economic Situation in Germany and Japan: Marking One Year in Office Amidst the Ukraine Crisis," which was positioned to give an overview of the current situation, the members shared a grim awareness that the world, including Japan and Germany, is facing "**compound crises**" such as destabilization of the security environment, soaring energy prices, inflation, and economic stagnation, and that it is difficult to foresee the future. Then many members mentioned that "coordination-type" leadership, which

synthesizes various opinions within the government and ruling coalition to set policy directions, brings benefits to politics in this "period of uncertainty" but that **communication to speak openly and sincerely to the public** is an essential requisite for such leadership.

In addition, the members fully shared the view that **in-depth exchange of information and candid discussions with reliable partner countries** are important for enhancing the ability to predict the future and detect risks in order to overcome the "period of uncertainty." From that point of view, **we strongly welcome the recent increase in high-level diplomacy by the Japanese and German governments, and in particular the launch of the Japan-Germany 2+2 Talks proposed by the Japan-Germany Forum since 2017, which led to ministerial-level meetings in April and November of this year, and will become regular starting in 2023.** Furthermore, in order to make our relations stronger and more permanent, some members also suggested that both countries should further develop the foundations for stimulating bilateral exchanges among a wide range of age groups, including increasing long-term bilateral student and youth exchange programs.

In the second session on "German and Japanese Role in Fighting Aggressive Authoritarianism, the Crisis of Democracy and Global Inflation," we first shared the cautious views that: (1) Even if a ceasefire is reached in Ukraine, the conflict between Western countries and Russia will be protracted; (2) China is steadily increasing its influence around the world and continues to threaten a free and open international order; (3) The US-China conflict will not ease for the time being since the US sees China as the biggest challenger to national security; and (4) Under these circumstances, it is highly likely that the functioning of global supply chains will continue to deteriorate, pushing up prices in each country.

As countries that have prospered under democracy, both Germany and Japan are in a position to actively contribute to the formation of an international order based on free trade, respect for human rights, and compliance with international rules. On the other hand, another common feature between both countries is having deep economic relationship with China. Therefore, **Japan and Germany are in a similar position in the international community, and have much to cooperate in strengthening security and stabilizing the international order.** Based on the above consensus, constructive suggestions were expressed in the second half of the session, including (1) **Continuing Japan-Germany high-level diplomacy;** (2) **Strengthening information sharing on geopolitical**

risks and conducting joint scenario analysis between Japan and Germany; (3) **Expanding military and defense exchanges;** and (4) **Strengthening cooperation in economic security** (expanding bilateral cooperation in the development of advanced technology and the establishment of supply chains for critical goods).

In the third session on "Reformulation of Energy Strategy and Possible German-Japanese Cooperation: Towards Non-Dependence on Russia and Decarbonization," the members confirmed that energy security is an urgent problem both in Germany and Japan and that there are certain distinctions between the two countries' vision of the energy mix (such as utilization of nuclear and renewable energies) due to difference in the dependency on Russia for primary energy procurement and geographical characteristics.

Despite such differences, **Japan and Germany share an unwavering long-term goal of "Carbon neutrality by 2050."** To achieve that goal, consensus was reached that **Japan and Germany should accelerate bilateral cooperation in expanding the use of renewable energy and energy-saving measures.** And there were also several suggestions regarding specific measures: (1) **Japan and Germany should advance cooperation in the development of biofuels (such as Sustainable Aviation Fuel), hydrogen fuel, and next-generation solar panels (higher efficiency and lighter weight);** (2) **Germany should adopt "Top Runner Program (*)," which has greatly contributed to Japan's energy-saving efforts.** In addition, there was a presentation of an interesting case where Japanese and German companies have started a joint demonstration experiment of large-scale power generation using 100% hydrogen fuel.

(* Top Runner Program is a system whereby authorities set an energy-saving goal for each industry based on the products with the highest energy efficiency (top runners) at that time and products that fail to achieve the goal by the target year are phased out.

We hope that the outcome of our discussion will provide concrete clues for further evolution of the Japanese-German relations, world peace, and prosperity of the next generation.

Please allow us to once again express our gratitude for the continuous support that you, Prime Minister Kishida and Chancellor Scholz, have given the Japanese-German Forum. We greatly appreciate your strong interest in our activities.

Respectfully yours,



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