



Morning Alert - Tuesday, May 8, 2018

The following information reflects the reporting of the cited news media and does not reflect the opinions of the U.S. Embassy in Tokyo. Japan Media Highlights is intended for USG use only and should not be forwarded. Visit the website [here](#). For more information, contact TokyoMATT@state.gov.

HEADLINES

Morning news

NHK gave top play to a report that the opposition parties will end their boycott of Diet deliberations today after the LDP and the Constitutional Democratic Party agreed on Monday to summon Tadao Yanase, a former aide to Prime Minister Abe, to testify at the Diet as early as Wednesday and also hold intensive deliberations on the Kake Gakuen scandal on May 14. TBS led with a report on the growing criticism of Finance Minister Aso's remark on May 4 that "there is no such thing as a sexual harassment charge." NTV and Fuji TV gave top play to reports on the heavy rain in the Kanto region last night. TV Asahi reported on the unusually cold weather today.

Major front-page items in national papers included Yomiuri's written interview with South Korean President Moon, Chinese Premier Li's op-ed in the Asahi, Takeda Pharma's planned buyout of Irish drug maker Shire, the launch of the Democratic Party for the People, and the opposition camp's decision to end its boycott of parliamentary deliberations.

INTERNATIONAL

Japan, China, ROK to convene trilateral summit in Tokyo tomorrow

All national dailies except Asahi reported on the trilateral summit between Japan, South Korea, and China to be held in Tokyo on Wednesday, projecting that North Korea's denuclearization will be at the top of the agenda for the first meeting of its kind in two and a half years. Prime Minister Abe, President Moon, and Premier Li are reportedly expected to reaffirm trilateral cooperation for the complete denuclearization of the Korean Peninsula by issuing a joint declaration or joint statement, or both. Chief Cabinet Secretary Suga told the press yesterday: "We would like to affirm that we will deepen mutual coordination for the complete, verifiable, and irreversible elimination of North Korea's weapons of mass destruction and ballistic missile programs and the swift resolution of the abduction

issue.” The papers projected that the three nations’ diplomats will continue to work until the last minute to formulate the language for a joint document on denuclearization, given that Tokyo is at odds with the other two partners over the necessity to continue the maximum pressure campaign on Pyongyang. Abe is set to hold separate meetings with Moon and Li on the same day.

ROK chief says further reconciliation with DPRK is premised on denuclearization

Yomiuri led with a written interview with South Korean President Moon in which he noted that the further improvement of his nation’s ties with North Korea will depend on the concrete steps that it takes toward denuclearization. Commenting on the planned U.S.-DPRK summit, the ROK leader said: “It is important for the two leaders to reach a bold agreement on the realization of complete denuclearization.... A solid peace on the Korean Peninsula and the joint prosperity of the two Koreas will only be possible through substantive progress in denuclearization, normalization of U.S.-DPRK relations, and establishment of a permanent peace mechanism.” President Moon disclosed that when meeting with Kim Jong Un last month, he asked the DPRK leader to start dialogue with Japan.

The daily said in a separate piece that Moon appeared to be confident about realizing the denuclearization of North Korea, forecasting that he is likely to step up efforts to mediate between President Trump and Kim Jong Un so that they can forge a consensus on putting together a concrete roadmap toward denuclearization in the upcoming summit. Pointing out that in the interview Moon did not ask Japan to take concrete measures to address bilateral history disputes, such as the comfort women and forced labor during WWII, Yomiuri speculated that the ROK leader may have chosen to prioritize obtaining cooperation from the GOJ at a time when a “historic development” is unfolding on the Korean Peninsula.

Kono says DPRK denuclearization should be achieved by 2020

Asahi took up remarks made at the Diet on Monday by Foreign Minister Kono, who reiterated that North Korea should complete its denuclearization by 2020 by saying: “The mistakes of the past could be repeated unless considerable progress is achieved on the complete, verifiable, and irreversible denuclearization ahead of the 2020 U.S. presidential election.” He projected that the P5 will be responsible for verifying the abolition of nuclear weapons, while the verification of the elimination of other nuclear-related facilities will be undertaken by the IAEA. He stressed that sanctions will not be eased unless Pyongyang takes concrete steps toward denuclearization.

Chinese leader pins hope on improving ties with Japan

Asahi led with an op-ed written by Chinese Premier Li, who is scheduled to arrive in Japan today for a trilateral summit with South Korea tomorrow. The top Chinese official expressed confidence about further improving ties with Tokyo by saying that Sino-Japanese relations are poised to return to a normal development track. As part of Beijing’s efforts to promote bilateral ties, the premier disclosed that Japanese financial institutions will be granted “Renminbi Qualified Foreign Institutional Investor” (RQFII) status, allowing them to invest directly in China’s bond and equity markets. The daily said

Li's article signifies the Xi administration's posture of ending the frosty bilateral relations that began following Japan's nationalization of the Senkaku Islands in 2012, adding that the plan to grant RQFII status shows that Beijing is hoping to boost ties with the Japanese business sector.

Japan, China to launch military hotline for East China Sea without specifying Senkakus

Monday evening's Tokyo Shimbun wrote that Prime Minister Abe and his Chinese counterpart Li are likely to seal an official pact on the launch of a communication mechanism between the SDF and the PLA to avoid military confrontations in and above the East China Sea when they hold a bilateral meeting in Tokyo on the sidelines of the trilateral summit to be convened on Wednesday. According to the article, the two sides had been at odds over whether or not the waters and airspace around the Senkaku Islands should be covered by the planned hotline mechanism. China had reportedly been rejecting Japan's insistence that the outcrops be excluded since they are Japan's inherent territory. However, the two parties agreed not to specify the geographical scope of the crisis-aversion mechanism, whose launch was first agreed upon eleven years ago. The defense authorities of the two nations will sign a memorandum on the launch of the mechanism after the Abe-Li summit on Wednesday afternoon.

POLITICS

New opposition party formed

All papers reported that two of Japan's major opposition parties, the Democratic Party and the Party of Hope, officially decided yesterday to merge and form a new party named the Democratic Party for the People (DPFP). However, only 62 of the two parties' combined 107 members joined the new party. As a result, the new party is now the second largest opposition party after the Constitutional Democratic Party of Japan (CDPJ). Ten of the 45 other members chose to join the CDPJ, while most of the others will probably choose to be independents. The papers said Japan's opposition bloc will continue to remain in disarray following the merger. The DPFP is co-led by Democratic Party President Otsuka and Party of Hope Leader Tamaki, and Party of Hope Secretary General Furukawa will take up the same portfolio in the new party.

ECONOMY

Japanese mega banks criticized for financing coal power generation initiatives abroad

Asahi reported that Japanese mega banks are being criticized for extending loans to coal-fired power plants overseas, noting that some life insurance companies, including the Dai-ichi Life Insurance Co., are moving to discontinue such loans amid the rising chorus for halting coal power generation due to the large amount of carbon dioxide it emits. The daily said, however, that the nation's three mega banks have apparently been slow to reduce their financial commitments to foreign coal power generation projects out of fear that the Japanese government, which regards coal

as a key “base-load” power source, would view the discontinuation as a failure to cooperate in securing energy supplies.

