

Policy Paper

Thirty Years of Diplomatic Relations between Georgia and Japan: Achievements and Prospects for Partnership



საქართველოს პოლიტიკის ინსტიტუტი
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Executive Summary

The Japan-Georgia bilateral partnership started with limited cooperation due to Georgia's socio-political and economic instability, ethnic conflicts, and the absence of any endowment of mutual trust. After the introduction of the then Prime Minister of Japan Ryutaro Hashimoto's Eurasian Diplomacy in 1997, Japanese officials started visiting Georgia, followed by the enactment of grassroots and power rehabilitation projects. However, the period since 2006, inspired by the Ministers of Foreign Affairs of Japan—Taro Aso's "Arc of Freedom and Prosperity" and Taro Kono's "Caucasus Initiative," has been characterized by increased high-level visits, initiation of significant projects and bilateral agreements as well as political support based on the shared values of freedom, rule of law, democracy, and market economy.

Japan has proved to be a reliable contributor of foreign development assistance to Georgia. However, Georgia is approached by Japan as part of the South Caucasus region rather than as a separate actor in the international system, suggesting that there could be a lot more scope to deepen the relationship. This paper argues that the main obstacles on this path are the need for Georgia to strengthen its capability to provide a favorable environment to Japanese businesses and to establish its credibility in the Japan-EU connectivity process by positioning itself as a European liberal democracy.

After tracking the evolution of Japan's diplomatic stance toward Georgia, the paper explores the economic and political cooperation through bilateral and multilateral channels and concludes with a summary of findings and policy recommendations. The potential for the development of an equal partnership largely depends on the active efforts of the Georgian public and private sectors as well as socio-political and economic stability in Georgia.

Keywords: Japan, Georgia, Official Development Assistance (ODA), Japan International Cooperation Agency (JICA), Foreign Policy, International Relations

Introduction

It has been thirty years since Japan recognized the independence of Georgia (on August 3, 1992) marking the beginning of diplomatic relations between the two countries (Embassy of Japan in Georgia 2022). Even though Japan has proved to be a reliable source of foreign development assistance to Georgia for three decades (See Figure 3.3), analysis of the foreign policy of Georgia among academic and expert circles often leaves the importance of its non-Western partners unnoticed.

The reality, created as a result of the dissolution of the Soviet Union in 1991, was a challenge for international actors trying to adapt to the new environment, including for Japan with its inflexible bureaucratic apparatus. Although Japan was one of the pioneers in recognizing the independence of the post-Soviet countries, the task of tailoring separate regional approaches took some time (Bibilashvili 2021).

While there is much scope for the expansion of Japan's involvement in Georgia, relations have not seen a high degree of intensification. Although Georgia offers a relatively small market for Japanese goods, it can attract the interest of Japan with its favorable business climate and strategic location as an East-West connecting hub. Moreover, Georgia and Japan both face the challenge of ongoing territorial conflicts— while twenty percent of Georgian territories are under Russian occupation, Russia disputes the ownership of Japan's Northern Territories (MOFA 2011). This aspect is particularly important in the light of the recent Russian invasion of Ukraine. Furthermore, Georgia shares Japan's foreign policy preference for having strong ties with the USA and the European Union. Considering Japan's recent Free and Open Indo-Pacific initiative of 2016, it can be argued that ensuring a rules-based international order in a broader geographical arena is one of Japan's current foreign policy goals, creating an additional drive for bilateral partnership.

This policy paper explores the evolution of the relationship between Japan and Georgia and is intended for the policymakers along with the academic and business audiences. Until now,

Japan's approach to Georgia under a regional umbrella could be perceived as an obstacle due to the ongoing conflicts between Georgia's neighboring countries. Thus, the paper argues that Georgia needs to highlight its potential as a Japan-EU connecting hub by establishing its credibility and adhering to pro-Western foreign policy, based on the rule of law and market economy, as well as activating ways to raise awareness of Georgia in Japan's political and business circles. In this regard, Japan's Free and Open Indo-Pacific initiative, together with the new geopolitical reality created as a result of the Russian invasion of Ukraine, should be utilized in order to enhance the Japan-Georgia partnership.

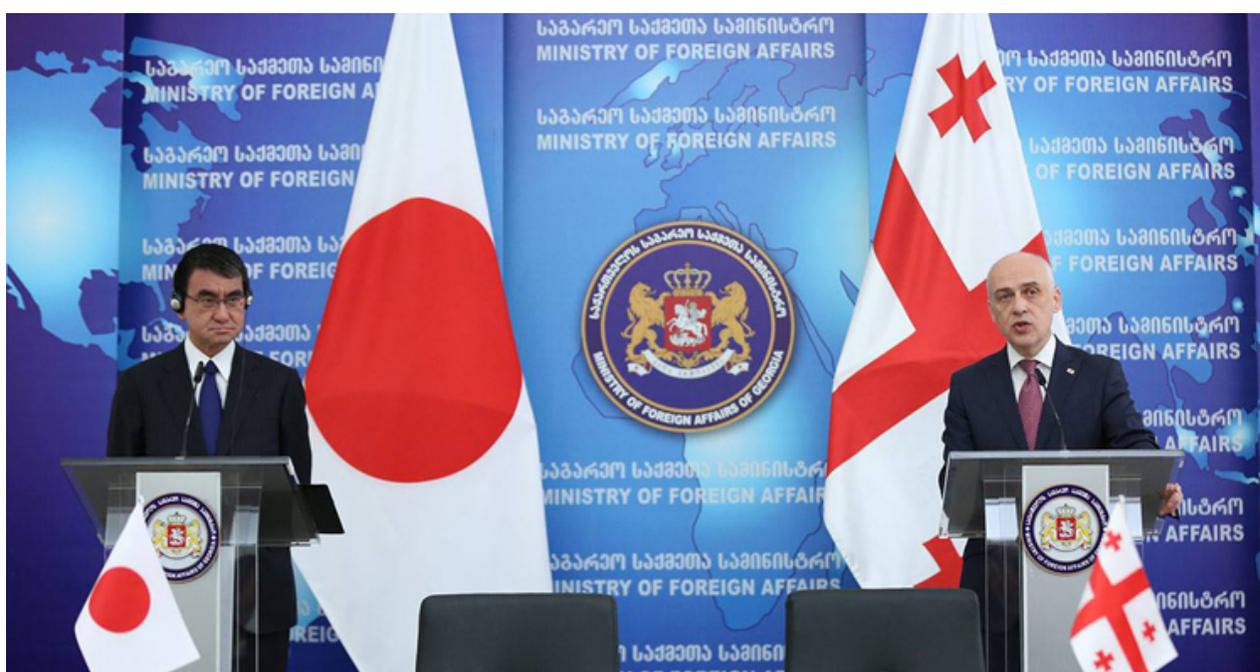


Photo Credit: <https://agenda.ge/en/article/2018/56>

Georgia on Japan's Diplomatic Agenda

Although diplomatic relations between Japan and Georgia were established in 1992, the first historical evidence of cooperation between the South Caucasus region and Japan dates to the beginning of the 20th century – the period from 1904 to 1945 was an era of anti-Russian and anti-Soviet collaboration (Kuromiya & Mamoulia 2009) that built the foundations for the current

bilateral relationship. The embassy of Georgia in Tokyo opened in February 2007, and the Embassy of Japan in Tbilisi opened even later, on 1 January 2009 (MOFA 2022). Until 2001 Georgia was assigned to the Embassy of Japan in Russia, and later to the Embassy of Japan in Azerbaijan, demonstrating that, in the beginning, Japan approached Georgia as one of the countries under the Russian sphere of influence and, later, prioritized Azerbaijan as a regional leader.

Until now Japan has dispatched eight diplomats in charge of its embassy in Georgia, while Georgia has sent five ambassadors to Japan (MOFA 2022). Since 1997, Georgia has hosted 14 high-level visits from Japan while Japan has welcomed high-level Georgian officials 24-times (MOFA 2022), indicating that Georgia's efforts have not been enough to stimulate Japan's interest in the country. The dynamics suggest that, even if it is moving forward, the partnership has yet to be prioritized on both Japan's as well as Georgia's diplomatic agendas.

It should be noted that Japan's South Caucasian diplomacy has gradually become more narrowly focused since 1992. As a result, the regional framework has been transformed from "Former Soviet Countries" to "Russian Federation and the Newly Independent States" and, finally, "Russian Federation, Central Asia, and the Caucasus" (Bibilashvili 2021). However, Japan approaches Georgia in a regional context and perceives the South Caucasus as a homogeneous player in the international system, which could be the result of the size of Armenia, Azerbaijan, and Georgia, or simply the fact that Japan has yet to become familiar with their distinct characteristics.

The developments in Japan-Georgia relations suggest that Georgia is slowly winning the trust of Japanese policymakers and is trying to establish its identity as a country that adheres to liberal values and is capable of attracting Japanese investments. However, Japan needs to be convinced of Georgia's credibility beyond playing the role of a development assistance recipient.

Hashimoto's "Eurasian Diplomacy"

Japan's Silk Road Diplomacy can be traced to 1997 when the then Prime Minister of Japan, Ryutaro Hashimoto, introduced "Eurasian Diplomacy," which signified the first official declaration of Japan's interest in the former Soviet countries. According to Hashimoto's approach, which was directed to the Japan Association of Corporate Executives (Prime Minister of Japan and His Cabinet 1997), Central Asian countries, together with the South Caucasus, were addressed as the "Silk Road Region." Thus, at that time, Japan stressed the fact that these states were striving toward economic and political development and highlighted their potential to bridge Asia with Europe.

Hashimoto set out three main pillars of foreign policy: political dialogue, development of the economy and natural resources, and cooperation on building peace. The political dialogue was intended to enhance trust and promote mutual understanding in order to foster prosperity and build peace through nuclear non-proliferation, democratization, and stability. However, the fact that the statement was addressed to the Japan Association of Corporate Executives indicates that the strategy focused on economic cooperation.

Hashimoto's initiative did have a positive impact on relations between Japan and the Silk Road region, including the South Caucasus. However, it was mainly limited to bilateral interaction in the field of the economy and did not have a political aspect. At this stage, Japan took the stance of a donor with regard to Georgia, supporting its development toward a market economy, which can be explained by Georgia's socio-political and economic instability together with ethnic conflicts and its consequent unreliability as a political partner for Japan.

Aso's "Arc of Freedom and Prosperity"

The second attempt to formulate a foreign policy strategy toward the South Caucasus region dates to 2006, when the then Minister of Foreign Affairs of Japan, Taro Aso (2005-2007), introduced the "Arc of Freedom and Prosperity." The main pillars of this era included: the Japan-US alliance, international cooperation, relations with neighboring countries (China,

Russia, the Republic of Korea), and transcending economic cooperation with countries such as the ones from the South Caucasus (MOFA 2006). The focus of this strategy was the area from Northeast Asia to Central Asia and the Caucasus, Turkey, Central and Eastern Europe, as well as the Baltic states (Ibid.).

Unlike Hashimoto's "Eurasian Diplomacy," which did not specifically refer to Georgia, after the introduction of "Arc of Freedom and Prosperity" Georgia became one of the targets for Japanese diplomacy, seen as an area "extremely important with regards to the supply of natural resources to the globe" (MOFA 2006). Moreover, the introduction of the "Arc of Freedom and Prosperity" was soon followed by the acceptance of Georgia into the Asian Development Bank—a Japan-led organization providing access to financial support from the Asian Development Fund and Japan Fund for Poverty Reduction (ADB 2022). Thus, it can be argued that after 2006 Japan's interest in Georgia intensified, signifying the improvement in the Japan-Georgia cooperation.

Kono's "Caucasus Initiative"

The most recent development in Japan's South Caucasian diplomacy was the announcement of the "Caucasus Initiative" during former Foreign Minister Taro Kono's visit to Armenia, Azerbaijan and Georgia in 2018 (MOFA 2019). It should be noted that this was the first time for a Japanese Foreign Minister to visit Georgia.

The goal of the new initiative is to support state-building in the Caucasus by providing opportunities for human resource development as well as creating business-friendly infrastructure in order to make the region more appealing to foreign investors (MOFA 2019). Even though it is still early to judge the effectiveness of this initiative, the recent high-level visits, together with the achievement of significant agreements (MoESDoG 2021),¹ suggest that intensifying relations could be a foundation for advanced economic and political partnership. This is in line with the Free and Open Indo-Pacific Initiative, which was introduced by Japan in 2016, aiming to ensure rules-based international order, peace and stability and enhance connectivity between Asia and Africa.

¹ For example, the relaxation of visa requirements for Georgian citizens in 2018 (GT 2018), followed by the signing of the Japan-Georgia Bilateral Investment Treaty and the Tax Convention in 2021 (MOFA 2021).

Increased Japanese interest and willingness to cooperate with Georgia indicates positive dynamics in the development of Japan-Georgia relations. However, the fact that it took almost three decades for Japan to come up with a specific region-oriented vision toward the South Caucasus countries suggests that there is a need for Georgia to further activate high-level visits, initiate projects involving Japan, and strive to become a target of Japanese diplomacy as a single unit of the international system by highlighting its potential role in Japan’s connectivity partnership with the EU.²



Photo Credit: <https://agenda.ge/en/news/2022/1585>

² Under the framework of “Strategic Partnership Agreement” of 2018, Japan and the EU in September 2019 signed “A Partnership on Sustainable Connectivity and Quality Infrastructure was signed between the EU and Japan” (EEAS 2019).

Economic Cooperation & Official Development Assistance (ODA)

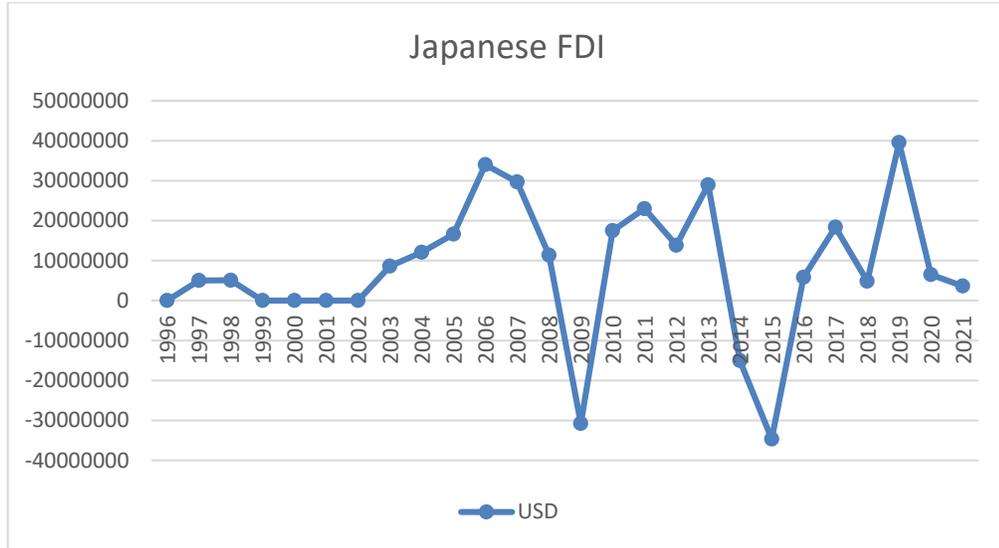
Investments & Trade

Economic relations between Japan and Georgia are moving forward, as seen in “Agreement between Japan and Georgia for the Liberalization, Promotion, and Protection of Investment,” followed by the “Convention between Japan and Georgia for the Elimination of Double Taxation with respect to Taxes on Income and the Prevention of Tax Evasion and Avoidance.” The agreements, which were signed on 29 January 2021, create investment-friendly conditions and promote the development of bilateral economic relations by ensuring a mutually beneficial legislative framework.

The flow of Japanese FDI to Georgia has been fluctuating significantly since the late 90s (See Figure 3.1), which can be explained by political and economic turbulence in Georgia. According to the Ministry of Economy of Georgia (2021), there are twenty-six Japanese companies represented in the country, including one of the largest energy companies – TEPCO Renewable Power (TEPCO RP) - making Japanese investment worth 15.4 million USD by 2020. The fact that TEPCO RP decided to enter Georgia signifies the potential for advanced Japan-Georgia cooperation in the fields of energy security and decarbonization.³ However, Georgia’s challenge in this regard would be to secure a stable socio-political environment and assure Japanese companies of its credibility as a potential partner, while initiating mutual projects and promoting Georgia to other Japanese investors.

³ To join the efforts of fighting climate change, Japan developed a roadmap to “Beyond-Zero” carbon and aims to become carbon neutral by 2050 (METI n.d.).

Figure 3.1 Japanese Foreign Direct Investments (FDI)



* Data is not available for 1996 & 1999-2002.

Source: Compiled by the author with the data provided by GeoStat. Accessed May 4, 2022.

http://pcaxis.geostat.ge/PXweb/pxweb/en/Database/Database_FDI/2..px/table/tableViewLayout2/?rxid=a3ee7e7f-a8d3-44a6-bb86-7ebbb10e7b4

As for the trade sector, according to the Ministry of Foreign Affairs of Japan (MOFA 2022), up to now, imports from Japan amount to 18.9 billion yen and consist mostly of electrical machinery, motor vehicles, rubber tires, and tubes, while exports to Japan, consisting of wine, metalliferous ores and scrap, compound, aluminum and aluminum alloys, chemical elements, and clothing, amount to only 2.7 billion yen.

The numbers given above indicate that Georgia has not fulfilled its potential in terms of attracting Japanese business circles. Therefore, Investments and trade are two of the areas with the most potential for development. Even though both governments are trying to create more favorable legislative conditions for the advancement of bilateral and economic cooperation, the fact that Georgia has yet to prove its reliability as an economic partner to Japanese investors could be one of the challenges on this path. In this regard, simplifying travel from Japan to

Georgia and vice versa by introducing direct means of transportation could contribute to the facilitation of the process.

Official Development Assistance (ODA) & Japan International Cooperation Agency (JICA)

After the dissolution of the Soviet Union, aid became the key aspect of Japan's involvement in Georgia. Japan not only provided humanitarian aid for internally displaced people (IDPs) but also contributed to the restoration of various infrastructure (opera, museums, schools, and other municipal property). Up to 2019, Japan granted Georgia: loans of 66 billion yen, grants of 12-billion-yen, technical cooperation of 2 billion yen, and contributions in terms of cultural grants amounting to 114 million yen (MOFA 2022).

1997 marks the year when Japan became the fourth largest OECD member to contribute to Georgia, following the USA, Germany, and the Netherlands (MOFA n.d.). At this stage Japan, considering its postwar economic development, positioned itself as a guide to Georgia in its transition toward a market economy and aimed to develop Georgia as a "Transcaucasian Corridor."

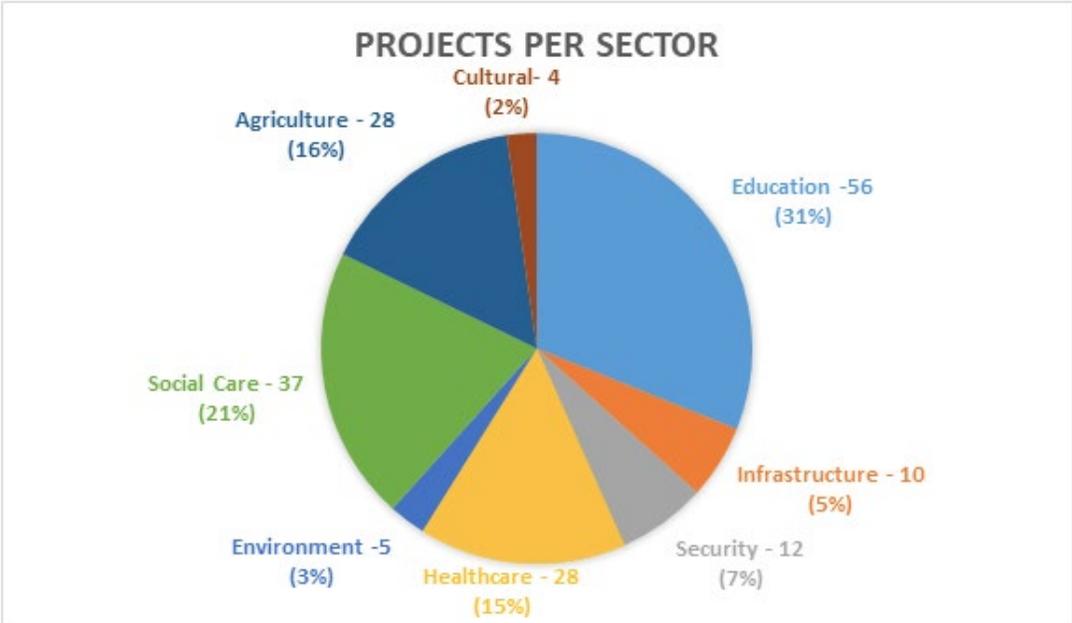
It should be noted that the Japan International Cooperation Agency (JICA) has played significant role in Japan-Georgia relations. The cooperation between JICA and Georgia commenced in 1995, followed in 2017 by the opening of a Representative Office in (JICA 2021), This signified an important development in Japan-Georgia relations, more so since the office, located in the capital city of Georgia, covers all the countries of the South Caucasus region. For almost three decades, JICA has contributed to the fields of economic infrastructure, human resource development, environment, health, and energy.

JICA has implemented a variety of grant and loan projects, including the Power Rehabilitation Project in 1997 - repairing a hydroelectric power plant to increase the electricity supply to the country. JICA has also been actively supporting human resource development in Georgia by

inviting Georgian specialists to participate in training programs in Japan and sending Japanese experts to Georgia (JICA n.d.). Moreover, JICA supports Georgia through the project “Clean Energy by Solar Electricity Generation System” (Ibid.).

The Grassroots Grant Projects scheme was also enacted in 1998 by the Embassy of Japan in Georgia, as a part of ODA aimed at providing financial assistance for development projects initiated by local communities (Embassy of Japan to Georgia 2016). The aid for Grassroots Grant Projects is distributed in two categories: Grassroots Human Security Grant Projects (GGP) and Grassroots Cultural Grant Projects (GCGP). Grant aids for the first category aim to empower people. As for the second category, the financial assistance is designed to support the implementing of sports, higher education and cultural projects of NGOs. However, one of the criteria is for a project to have a “bridging element,” encouraging cultural exchanges with Japan. By 2020, Japan had generously funded 200 projects (See Figure 3.2), together worth 20 million USD (Embassy of Japan in Georgia 2016).

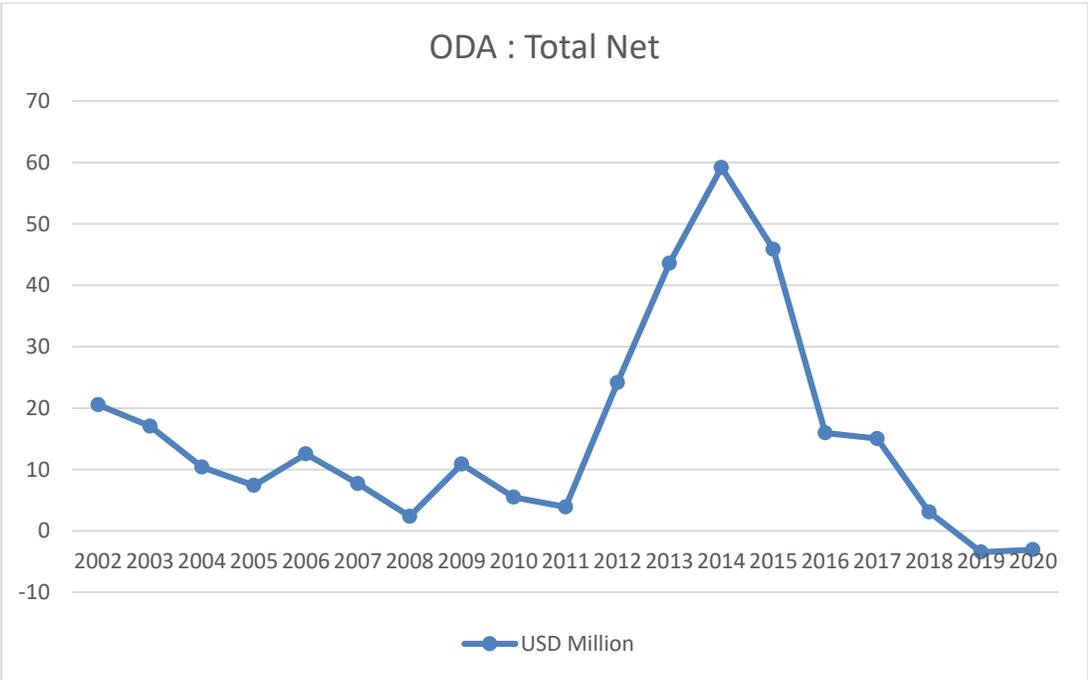
Figure 3.2 Grants of the Japanese Embassy by sector (1998-2020)



Source: Embassy of Japan in Georgia. Accessed May 4, 2022. https://www.ge.emb-japan.go.jp/itpr_en/development_assistance_eng20180727.html

In response to Georgia’s needs in terms of transport and logistical infrastructure, an ODA loan agreement was signed on December 16, 2009, providing 177.22 million yen for the East-West Highway Improvement Project. This was the second project funded by a Japanese ODA loan after the Power Rehabilitation Project of 1997 (JICA 2009). It should be noted that the amount of Japanese ODA to Georgia skyrocketed between 2011 to 2014 (See Figure 3.3), making Japan the second-largest contributor to Georgia after the USA in 2013 and 2014 (MOFA 2022).

Figure 3.3 Japanese ODA Disbursement to Georgia



Source: Compiled by the author with the data provided by the OECD. Accessed May 4, 2022.
<https://stats.oecd.org/Index.aspx?DataSetCode=Table2A#>

Later, in 2015 another contribution worth 44.10 million yen was disbursed to support the East-West Highway Improvement Project, a key transportation route bridging Europe and Asia. The East-West Highway serves as the shortest international highway linking Central Asia with

Europe. This is a crucial part of the Transport Corridor Europe Caucasus Asia (TRACECA) which starts in Kazakhstan, passes through Kyrgyzstan, Uzbekistan, Turkmenistan, then goes through the Caspian Sea and Azerbaijan, crosses Georgia east to west, the Black Sea, and, finally, travels to Europe through Ukraine. In 2018, Japan agreed to add the ODA loan of 38.735 billion yen to the second phase of the project's implementation (JICA 2018).

Based on the data presented in this chapter, it can be argued that Japan has actively instrumentalized the ODA as a foreign policy tool vis-à-vis Georgia throughout the last three decades. The projects implemented with Japanese assistance in Georgia, focusing on strengthening transportation infrastructure, promoting green energy, and boosting the expertise of Georgian professionals, highlight that Japan perceives Georgia's potential in an East-West connecting circle to be an important asset in the context of a wider Asia-Europe partnership.



Photo Credit: [Ministry of Foreign Affairs of Japan](#)

Political Aspect of Japan-Georgia Relations

The political aspects of Japan-Georgia relations are mostly limited to Japan's support for the sovereignty and territorial integrity of Georgia and Georgia's support for Japan's ambition to become a permanent member of the UN Security Council (Bibilashvili 2021). However, as in the economic sector, there is room to further deepen the partnership by appealing to common experience of ongoing territorial conflicts and adherence to liberal values.

Japan has a consistent position supporting the principles of the sovereignty and territorial integrity of Georgia and its internationally recognized borders. After the Russo-Georgian war in 2008, Japan contributed one million USD as an emergency humanitarian grant aid to the IDPs of Georgia through the UNHCR (MOFA 2008). Another 200 million USD was contributed to post-war restoration and development activities (JICA n.d.), which was a significant donation for Georgia.

Besides condemning Russia's behavior in violating Georgia's territorial integrity and sovereignty, Japan together with Canada, France, Germany, Italy, the US, and the UK, on August 27, 2008 (MOFA 2008), signed the "Solidarity for Peace and Democracy" with Georgia on October 24, 2014 (MOFA 2014). The document is an important political declaration highlighting that Georgia and Japan share the fundamental values of democracy, freedom, human rights, and the rule of law. Moreover, it emphasizes that Georgia's integration into the European market via the Association Agreement, together with its favorable business environment, makes Georgia an attractive destination for Japanese investments. Finally, it stresses Japan's position that there should be a peaceful resolution of conflicts over Abkhazia and South Ossetia in line with the sovereignty and territorial integrity of Georgia within internationally recognized borders, and acknowledges the right of return for Georgia's IDPs according to the UN General Assembly Resolutions.

Later, when the "Treaty on Alliance and a Strategic Partnership" was signed between Abkhazia and Russian Federation in 2014 and the "Treaty on Alliance and Integration" between

Tskhinvali/South Ossetia and Russian Federation in 2015, the Embassy of Japan in Georgia opposed any attempts to change Georgian internationally recognized borders and reaffirmed its support for Georgia's territorial integrity (Embassy of Japan in Georgia 2014; 2015). The Japanese Embassy in Georgia had a similar response to the installation of the "state border" signs close to the Baku-Supsa Pipeline (Embassy of Japan in Georgia 2015). However, this paper argues that the common experience of ongoing territorial disputes with Russia could be employed more efficiently in bilateral relations.

It should also be noted that the way Japan refers to the country was changed in 2014 from "Gruziya" to "Georgia" (The Japan Times 2014). The Georgian side called for such a change after the territorial conflict with Russia occurred in 2008. However, due to the politically sensitive nature of the issue, as well as bureaucratic difficulties, the decision took about six years, which indicates that Japan approaches Georgia in light of a wider post-Soviet powerplay and is being cautious when addressing issues involving Russia.

The platforms of NATO, OSCE and the UN have also been engaged in Japan-Georgia relations in one way or another. Japan has contributed to regional peace and stability through the NATO Partnership for Peace Trust Fund (NATO 2022). It is also important to note that both Japan and Georgia are in favor of the UN Security Council Reform and Georgia has actively supported Japan as a candidate for permanent membership of the UN Security Council since the 90s (MOFA 1999). As for the OSCE, Japan has used this platform to dispatch its staff members as part of observer missions for the elections in Georgia (MOFA 2003; 2012; 2013).

The dynamics of Georgia-Japan relations reflect the transformation of bilateral relations from being strictly a donor and a recipient to becoming equal partners sharing fundamental values such as democracy, freedom, human rights, and the rule of law. Nevertheless, Russo-Georgian tension, along with the socio-political instability in Georgia, seems to be limiting the development of the political partnership between Japan and Georgia.

Multilateral Channels of Cooperation

The introduction of Taro Aso's "Arc of Freedom and Prosperity" served as an additional impulse for Japanese diplomacy to further expand cooperation with countries, such as the ones from the South Caucasus, involving the multilateral level. Considering the existing hostile dynamics between Armenia and Azerbaijan, Japan was unable to gather all the South Caucasus states under a single regional framework (Goginashvili 2016). However, Tokyo formed working formats with two international organizations, namely BSEC (the Black Sea Economic Cooperation) and GUAM (Georgia, Ukraine, Azerbaijan, and Moldova).

The paper argues that, on the one hand the member states, including Georgia, used the platforms to introduce their capabilities for bridging the European and Asian continents to Japan, and Japan, on the other hand, employed these frameworks mostly for sharing its expertise in various fields. However, the documents providing a legal base for these partnerships build a strong foundation for transforming these relations into more efficient cooperation, requiring mutual active efforts and initiatives.

Black Sea Economic Cooperation (BSEC)

Japan became BSEC's⁴ Sectoral Dialogue Partner in 2007, after the introduction of the "Arc of Freedom and Prosperity" into Japanese foreign policy (GFJ 2010). However, the relations between Japan and BSEC are mainly limited to sharing Japan's expertise in different areas, including disaster-prevention and emergency assistance. It should be noted that the initiative to strengthen the partnership came from the Black Sea Area representatives and, as a result, from 2005 to 2016, four Japan-Wider Black Sea Area Dialogues were organized in Tokyo.

The first dialogue, held on November 27-28, 2005 - "Peace and Prosperity of the Wider Black Sea Area and the Role of Japan" - served the purpose of introducing the Black Sea Area to Japan

⁴ The Organization of the Black Sea Economic Cooperation, which is a fruit of a multilateral political and economic initiative of the Istanbul Summit and the Bosphorus Statement signed on June 25, 1992, gathers 13 states aiming to create a prosperous Black Sea region (BSEC n.d.).

which, according to the words of Hakamada Shigeki⁵, was neither aware of the region's geopolitical importance nor had "any comprehensive view or approach to recognizing the Black Sea region as a united entity" (GFJ 2005, 68-69). Thus, the event was an important steppingstone in Japan-BSEC relations, paving the path toward greater collaboration.

The second dialogue, "Japan and the Black Sea Area in the Rapidly Changing World," which took place on November 20-21, 2007, highlighted the issue of Europe-Russia rivalry over the Black Sea region and focused on the potential for Japan to support the democratization and reformation process in the region (GFJ 2007). In this regard, Taro Aso's "Arc of Freedom and Prosperity" was presented as an effective framework for the development of Japan-Black Sea Area relations. From this point, Japan realized that taking a proactive role in the Black Sea Area was a chance to prove its leadership potential beyond the Asia-Pacific region and demonstrate its readiness to become one of the permanent members of the UN Security Council.

The third dialogue, "Prospects of Changing Black Sea Area and the Role of Japan," held on January 26-27, 2010, activated discussions over the economic and security challenges of the region due to the experienced military confrontations and ongoing socio-political difficulties (GFJ 2010). In this light, Japan was challenged to maneuver in the region, based on its value-oriented diplomacy.

Finally, the fourth dialogue was organized on February 20-21, 2013, with the theme "How to Develop Japan-Black Sea Area Cooperation." The meeting followed three main themes: "The Black Sea Area in Changing World," "The Development Strategy of the Black Sea Area," and "The Role of Japan for the Future of the Black Sea Area" (GFJ 2013). At that stage, Japan, which had been engaged mainly in relations with the BSEC members on a bilateral level, started activating a platform with a particular focus on disaster prevention. However, Japan-BSEC cooperation could not manage to transcend expertise-sharing and failed to develop as an effective platform for multilateral cooperation.

⁵ Professor of International Politics.

GUAM

GUAM brings together the governments of Georgia, Ukraine, Azerbaijan, and Moldova (for some time, Uzbekistan too)⁶ and aims to promote democratic values, enhance stable economic development, ensure international and regional security, and help its members in their journeys toward European integration (GUAM n.d.). Japan made ties with GUAM in line with its value-based diplomacy and, since 2007, six “GUAM-Japan Ministerial Meetings,” four “Meetings of the Council of Foreign Ministers of the GUAM and Japan,” and several joint workshops and dialogues (GUAM 2018) have been organized.

GUAM-Japan cooperation serves one of the goals of Japan’s development policy, which is “Cooperation aimed at self-reliant development through assistance for self-help efforts as well as dialogue and collaboration based on Japan’s experience and expertise” (MOFA 2015). In this regard, GUAM provides another multilateral platform and regional mechanism for Japan to back up its leadership ambitions by actively supporting democracy and economic development in GUAM’s member states.

Since 2007, Tokyo has had a Special Representative in charge of GUAM at the Ministry of Foreign Affairs of Japan, indicating the importance of the platform on Japan’s diplomatic agenda. Furthermore, the GUAM-Japan Cooperation Program was created in 2015, providing a wide range of areas for cooperation including tourism, energy, GUAM Transport Transit Corridor, GUAM Free Trade Area, investment projects, emergency situations and radiological security, infrastructure, disaster management, environmental protection, agriculture, medical sphere, and culture (GUAM 2015). As for instruments of cooperation, it generally employs ministerial summits, national coordinator meetings, and joint workshops and seminars.

It can be argued that the GUAM-Japan cooperation format, reflecting general dynamics of bilateral relations, successfully integrated a multilateral layer into the Georgia-Japan partnership. However, as in the case of BSEC, the focus of cooperation is rather limited - technical assistance and expertise-sharing - while the preference of Japan remains to pursue

⁶ Uzbekistan joined GU(U)AM in 1999 and withdrew its membership after only three years, in 2002, based on the allegation that the group was not capable of strengthening integration among its members (RFERL 2002).

bilateral diplomacy with member countries. One of the key challenges to employing existing multilateral channels more proactively could be the level of cohesion among GUAM and BSEC member states and the diversity of their needs as well as political aspirations.

Conclusions & Recommendations

Thirty years of relations between Japan and Georgia account for significant achievements in terms of development assistance. The period of limited engagement (1992-1996) was followed by a relatively active stage (1997-2005), inspired by Hashimoto's Eurasian Diplomacy, supporting the self-help efforts of Georgia toward economic and social development. Since the introduction of Aso's "Arc of Freedom and Prosperity," in 2006, a multilateral level has also been introduced and utilized in Georgia-Japan relations, accompanied by political support and continued economic assistance. Finally, the announcement of Kono's "Caucasus Initiative" in 2018 suggests that the relationship has real potential to be transformed from being strictly one of a donor and a recipient to becoming an equal partnership based on shared values of freedom, democracy, human rights, the rule of law, and market economy. It should be noted that this development followed the introduction of Japan's Free and Open Indo-Pacific Initiative that signified the diversification of Japan's foreign policy outlook and a readiness to play a more proactive role in global affairs.

Nevertheless, the key obstacle in Japan-Georgia relations remains to be the lack of mutual awareness, which could be explained by the geographic distance between the two countries. Moreover, Japan, with its high standards and cautious foreign policy, treats Georgia in a reserved manner since it needs to be reassured of Georgia's reliability as a partner. At the same time, there is room for further deepening of relations in the fields of trade and investments, energy, technology and expertise-sharing, as well as political dialogue. Considering Japan's vocal position regarding the ongoing Russian invasion of Ukraine (Akita 2022), the fact that both Japan and Georgia also face territorial disputes with Russia should be further reflected in bilateral cooperation.

Another key area for future partnership would be Georgia's involvement in the framework of the Japan-EU Partnership on Sustainable Connectivity. The TRACECA initiative, together with Georgia's persistent pro-Western foreign policy, strengthened with progressive steps, could play a major role in this endeavor. However, the challenge to transform Georgia's image, from that of a post-Soviet country in the South Caucasus region that is characterized by conflicts and instability to a modern Eastern European state, determined to meet Japanese standards, requires dedication from the Georgian side and should be backed up with tangible results.

Overall, even if the ongoing progress in the dynamics of bilateral relations is undeniable, there are still many opportunities left unexploited in the economic as well as political partnership between Japan and Georgia. The main challenge on this path is the unstable socio-political and economic environment characterizing Georgia, together with the conflicts of the South Caucasus region and the Russian factor, which limits Japan's maneuverability. Considering the current obstacles, Georgia's task is to prove its credibility and stick to its liberal values while exploring new avenues of cooperation with Japan.

Recommendations

For the Government of Georgia:

- establish Georgia's credibility as a potential partner for Japan by maintaining a persistent pro-Western foreign policy and commitment to the values of democracy, freedom, human rights, rule of law, and market economy and ensuring the socio-political and economic stability in the country.
- activate high-level visits to Tokyo and pursue negotiations aiming to create a more favorable legislative framework, including visa-free travel and the Free Trade Agreement, for the advancement of bilateral economic cooperation with Japan.
- support sectoral dialogue and instrumentalize the issue of mutual territorial conflicts by organizing annual gatherings to strengthen the partnership.

- highlight Georgia's geopolitical importance and position the country as a vital element in the Japan-EU trade relations as well as a wider connectivity partnership. In this regard, Georgia should use multilateral channels of cooperation more proactively.
- maximize the efforts, including the usage of social media platforms, to introduce Georgia to Japanese citizens in order to attract Japanese tourists as well as digital nomads and increase the demand for Georgian goods on the Japanese market. For this purpose, it is recommended to tailor a nation-branding approach targeting specific groups of people. The opportunity of having direct flights from Tokyo to Tbilisi would also be helpful in this endeavor.

For the Government of Japan:

- activate high-level visits in the countries of the South Caucasus region, including Georgia, and tailor country-specific foreign policy approaches.
- make use of Georgia's strategic geopolitical location under the framework of the Japan-EU Partnership on Sustainable Connectivity.
- support the promotion of Georgia with its favorable business climate among the Japanese business community.
- define clear goals and standards for Georgia in order to gain credibility in Japanese political and business circles.
- continue efforts towards the development of Georgia's transport and energy infrastructure as well as ICTs in order to improve its capability as an East-West connecting hub.

For Georgian and Japanese universities and research centers:

- form partnerships and initiate collaboration with counterparts to encourage intellectual exchanges and promote expertise-sharing.
- promote the exchanges of Georgian and Japanese university students as well as scholars and lecturers, translate major academic works and organize annual Japan-Georgia academic gatherings.

- make use of available grants to conduct common research projects and support the process of raising awareness of Georgia in Japan and vice versa. The establishment of the department of Georgian Studies at one of the leading Japanese universities could serve as a steppingstone on this path.

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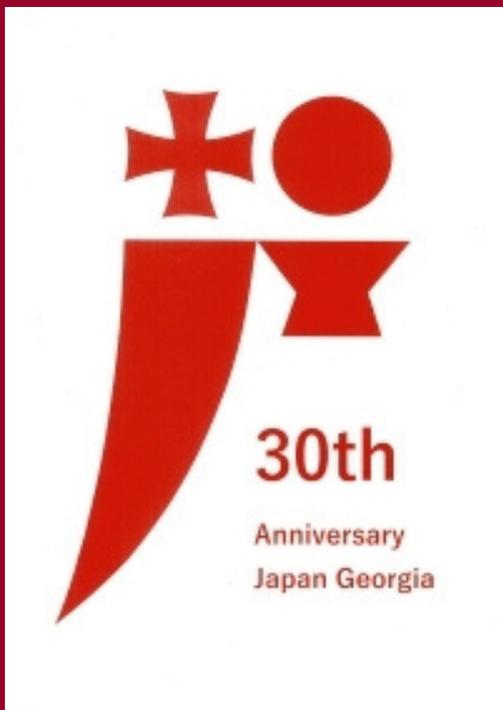


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