

As delivered

Speech at “Parliament Event – Japanese Companies and Brexit”
by Ambassador Koji Tsuruoka
at the Portcullis House
on Monday 31 October 2016

Chairman Godsiff, Secretaries of State, My Lords,
Distinguished Members of the House of Commons, Ladies and
Gentlemen,

Good evening. Thank you very much for coming to this
gathering to highlight the positive impact of Japanese
investment in the UK.

I am grateful to the British-Japanese Parliamentary Group
Chairman for providing such a wonderful setting for this
occasion. Please also let me express my sincere appreciation to
The Rt. Hon. David Davis, the Secretary of State for Exiting the
European Union, Mr Paul Drechsler, President of the CBI, and
Mr Haruki Hayashi, President of the Japanese Chamber of
Commerce and Industry in the UK, for offering their deep
insights into the current relationship between Japan and the UK,
and the way forward.

I am flattered and honoured with the attendance of so many of
you from Parliament, the British Government, the Japanese
business community, as well as leading figures from British
business. I am also delighted to welcome Mr Hiroaki Nakanishi,
Chairman of Hitachi, as a special guest.

Japan and the UK share much in fundamental values - of course
you all know this - but I think that it is worth repeating and
affirming: democracy; respect for human rights; rule of law; and
belief in the free market system and free trade. These are
important principles that some people take for granted, but that
is not the right way of addressing these important principles

because if we don't promote them – incessantly - they will be neglected, ignored and eventually disappear, moving us away from the very basis of the prosperity that we enjoy today. I would like to emphasise this point because this is the core of the bilateral relationship between Japan and the UK. We are in two corners of the world, but in these different regions we play a very vital role in promoting the principles that have made the world as prosperous as it is today. We are not ashamed of promoting further free, that trading, open Japan, qualities that I have heard about so many times of Britain, we are very encouraged by, and this is the basic cornerstone of the UK-Japan relationship. It is not just between governments, this is also the relationship between the two peoples. That is why I must emphasise once again that these shared values are the basis of our relationship and it is on that basis we can attribute to universal interests - because these are values that are universal - and they have been challenged. If we don't speak up, and if we don't promote them, we risk the danger that the very basis could be disrupted.

Now, I would like to take this opportunity to suggest and mention to you, the very important issue of Brexit. Of course, not that I need to remind anyone, we just heard from the Japanese company, as you call it Nissan. My view is that it is a UK company. They have been here for so long! If you ask your children or your grandchildren, they will think that Nissan is a British company - making British cars! This is the nature of having a long-standing relationship of investment and co-operation and we have this good news: that they have decided to build the two new categories of car in Sunderland, they will continue to do so in accordance and in consistency with the tradition that they have enjoyed, and they are committed to continuing. This is a show of loyalty from Nissan, from the people of Sunderland and that the United Kingdom in general have shown to a company of Japanese origin in the UK. I'd like you to welcome and appreciate the fact that the UK government

made this possible and also thank Nissan for making this great step, because it comes at a very important time.

The Japanese companies are not leaving - because they like it here - as Mr Godsiff mentioned, and they have been operating positively in the UK. But it is up to us to continue to allow them to do that. There have been tensions over commitment to continue as Nissan have made their decision, and it is up to us or the others to follow, but because these are private companies and because we are a free-market country, the Japanese government is in no position to direct, instruct or order whatever business decisions Japanese companies make. It is based on their free will and because they are private companies they operate on the basis of profits. We the government should make certain that there will be a business environment that will continue to allow them to make profits and operate effectively in Europe.

This is the intention of Japan as we work together - we wish to work together - with the UK, and of course with the EU, so that the effect of Brexit is not going to damage; the very strong, robust economic growth that the UK currently enjoys. These are very important tangible bases on which we should work further, and for that objective we are prepared to engage in periodic meetings with UK government officials for growth discussion regarding the range of economic challenges arising from Brexit. Reflecting the strong interests in Tokyo, including Prime Minister Abe, as well as its business leaders, the Japanese embassy in London is in constant contact with Tokyo on a daily basis about what is happening here in the UK, and therefore we are of course fully informed of what Tokyo is thinking about in regards to promoting the Japan-UK economic and strategic relationship.

Now of course Japan will not sit at the negotiating table the when the UK negotiates with the EU, but we are friends, and we are also a very major stakeholder. The Japanese economic

presence in the UK is quite significant and therefore this presence will also have an impact on how the negotiations should be conducted. The Japanese industry also has a very large stake, which makes them an interested party. As an embassy here, and wanting to be part of the solution, we never preach to others; preaching is not what we do best. We are best at listening, we are best at collecting ideas, and we are best at transmitting them for further discussion. It is in that spirit that we at the embassy will be prepared to make ourselves available to the UK government as they undertake this very difficult negotiation that will start after March next year. This is something I am suggesting as an offer, and I hope Secretary Davis and the relevant Secretaries in the UK government will consider that we will be able to start informal but important consultation sooner rather than later.

Having said that, we are quite aware that business and economy depends upon the private sector, and we have today the leaders from private sectors on both sides, and I hope you will use this opportunity to discuss issues with each other and make the most out of the evening.

I do have a little bit of a secret that I am sharing with you as I close this remark. I brought some good Japanese sake because I have forced you to listen to my lengthy speech! I am aware that I need to do a little bit of compensation for that, and if you have the time and taste for sake please stay after the remarks and have a taste of the genuine, authentic high quality Japanese sake that I have brought to this session.

Thank you very much.