

Remarks by H.E. Mr. HAYASHI Hajime,
Ambassador of Japan to the UK,
for the Japan-UK Financial Networking Reception
on 23rd May 2023

Lord Mayor Lyons,
Deputy Governor Ramsden,
Distinguished Guests,

It is a great pleasure to welcome you all to the Embassy of Japan just two days after the conclusion of the G7 Hiroshima Summit, where the leaders of the G7 were more united than ever in their determination to meet the global challenges of our time and underlined their uncompromising commitment to strengthen and uphold the rule based international system.

Today is also only two weeks after the G7 Finance Ministers and Central Bank Governors Meeting in Niigata, Japan, in which productive discussions were carried out focusing on international economic situations.

This evening, my wife and I very much appreciate the presence of Lord Mayor Lyons of the City of London, Bank of England Deputy Governor Ramsden, and all the other participants representing a wide range of financial interests in both the public and private sectors, including the British Government, financial institutions, and professional service providers who support the financial sector in London.

Japan and the UK are increasingly important global strategic partners with each other, as illustrated when Prime Ministers KISHIDA Fumio and Rishi Sunak signed the Japan-UK Hiroshima Accord just Friday. And the UK is also an indispensable partner for Japan in financial services. This is clear from the simple fact that Japan's exports to and imports from the UK

respectively account for around 30% of its total services trade.

With a view to further developing these strong economic ties, the Japan-UK Financial Regulatory Forum, a framework for dialogue between the relevant ministries and regulators, was established under the Japan-UK Comprehensive Economic Partnership Agreement signed in October 2020. The first meeting was held in London in June last year and I understand that preparations are currently under way for the second one, which I hope to realize before long. The cooperative relationship in financial services between the governments of the two countries is clearly going from strength to strength.

Such cooperation is also taking root between local governments. The Tokyo Metropolitan Government and the City of London Corporation signed a Memorandum of Understanding on cooperation in financial services in 2017, and in February this year, Governor KOIKE Yuriko visited London and carried out a series of promotional activities to attract asset managers and fintech companies to Tokyo. Last December Governor YOSHIMURA Hirofumi of Osaka Prefecture also visited the UK with a view to promoting cooperation in financial services between the UK and Osaka. Moreover, there is undoubtedly momentum for further cooperation in this regard.

Some of you may recall Prime Minister KISHIDA's speech at the Guildhall, City of London, in May of last year, in which he described Japan's International Financial Centre Initiative as a top priority. Indeed, the Japanese Government has put forward a wide-ranging policy package to remove barriers to foreign asset managers doing business in Japan. The UK, particularly here London, is known as one of the world's leading international financial centres and has a thriving asset management industry. Thus, I hope that more UK asset managers will take advantage of the package and expand their activities into Japan.

Against this backdrop, I have decided to hold this Financial Networking Reception for the first time here at the Embassy of Japan. I trust this occasion will provide a good opportunity for us to widen and deepen relationships at various levels in the public and private sectors, improve our understanding of the business and regulatory environment in financial services, and contribute to the further development of business ties between Japan and the UK.

I am quite optimistic for continuing growth and prosperity of our respective countries. And I am pretty sure that this will be realized through the constant development of our significant partnership, which certainly places the financial sector as one of the centre pieces.

Thank you very much indeed.