

Remarks by H.E. Mr. HAYASHI Hajime,
Ambassador of Japan to the UK,
for the Japan-UK Financial Networking Reception
on 5th June 2024

I can see familiar guests to the Embassy of Japan, such as Dr Michael Mainelli, Lord Mayor of the City of London, Sir Dave Ramsden, Deputy Governor of Bank of England, and Lord Trenchard, the Vice-Chair of the British-Japanese Parliamentary Group, as well as many others. Of course, I can see fresh guests for the first time to the Embassy as well.

I am truly delighted to have you all here this evening. This marks the second occasion we have organised a networking reception on the theme of financial services. I am pleased to host this reception once more this year, especially at a time when we are witnessing the flourishing of such a vibrant partnership between Japan and the UK.

As you may be aware, Their Majesties the Emperor and Empress of Japan have accepted an invitation from His Majesty the King to pay a State Visit to the UK in the last week of June. His Majesty the Emperor studied at Oxford University from 1983 for approximately two years. In 1993, the first edition of the book he wrote about his experiences there, entitled *The Thames and I: A Memoir of Two Years at Oxford*, was published. In Japan, in April last year, to commemorate the 30th anniversary of its publication, the book was republished in Japanese, complete with an 'Afterword' provided by His Majesty in which he expressed the hope that he would be able to revisit the UK, together with Her Majesty the Empress, also an Oxford alumna, someday before long. In this context, it is wonderful that the State Visit is being realised and I truly hope that it will further strengthen our bilateral ties. Taking this opportunity, I would like to express my deep appreciation to the Lord Mayor and the City of London Corporation to host a banquet at the Guildhall for His Majesty the Emperor during the State Visit.

Distinguished Guests,

With a view to further developing our economic relations, 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 2022 and the second one in Tokyo in November last year. The cooperative partnership in financial services between the governments of the two countries is clearly going from strength to strength. In this regard, financial services comprise an area in which the UK has become a truly indispensable partner for Japan. In 2023, Japan's exports to and imports from the UK of financial services respectively accounted for around 30% of its total services exports and imports.

Such cooperation is also taking root between local governments. The Tokyo Metropolitan Government and the City of London Corporation signed an MoU on cooperation in financial services in 2017, which is enhancing the collaboration between the two cities in areas such as FinTech, asset management, green finance and ESG investment.

I believe that these strong ties will give impetus to the efforts of the Government of Japan to shift 'from savings to investment' through stable asset formation by its citizens. In order to promote Japan as a Leading Asset Management Center, the Government of Japan published its policy plans last December to remove barriers to overseas asset managers doing business in the country. Yesterday, the Government of Japan published the "Policy Package of Special Zones for Financial and Asset Management Businesses," where 4 regions in Japan – Sapporo, Tokyo, Osaka and Fukuoka – were assigned as the Special Zones. The UK, and London in particular, is known as one of the world's leading international financial centres and has a thriving asset management industry. I hope that more UK asset managers will take advantage of these initiatives and expand their activities into Japan.

Additionally, it is encouraging to see signs of subdued inflation in the UK and a steadily recovering economy in Japan. These factors are also improving the climate for business between our countries.

Furthermore, Expo 2025 will be held in Osaka next year. This time, our aim is to transform Osaka into a “Testing Ground for Future Society” aligning with the Expo's theme “Designing Future Society for Our Lives”. Expo 2025 will be an innovative display of what Japan has to offer future society in terms of its science, technology and culture. The UK is obviously a country where international exhibitions were initiated, and, therefore, it is quite natural and reasonable that UK businesses will take advantage of the coming Expo 2025 for their opportunities to expand their presence and activities in Japan.

Against this backdrop, I do hope to see strengthened cooperation and increased investment between Japanese and British companies in both directions, from Japan to the UK and also from the UK to Japan.

Today, I appreciate the presence of the Lord Mayor, Dr Mainelli, who just returned back from his visit to Japan last week. I have no doubt that his trip was successful and fruitful and that it will play a useful role in deepening the economic ties between Japan and the UK. Indeed, I look forward to hearing from the Lord Mayor about the outcome of his visit to Japan.

Lastly, I would like to express my earnest hope for the enhancing prosperity of all the guests present and for the further flourishing of the companies and organisations they represent. I am confident that the robust partnership between Japan and the UK will continue to go from strength to strength.

Thank you very much.