

March 6, 2023

**Statement by Kengo Sakurada, Chairman of Keizai Doyukai
on South Korea's Announcement
to Resolve Wartime Labor Dispute with Japan**

1. The South Korean government has officially announced a solution to end the wartime labor dispute with Japan. The two governments have been seeking compromises and ended up with the realistic solution, as the damage claims against the relevant Japanese corporations, if made, would result in a grave crisis in the Japan-South Korea relations. We appreciate the negotiations toward the solution.
2. The foundation of the relations between the two countries is the complete and final settlement of the issue with regard to property rights and claims under the Japan-South Korea 1965 agreement. We expect the Japanese government to continue dialogues and responses over the issue, while ensuring the principles behind this agreement.
3. There are many challenges Japan and South Korea must address in partnership as each other's neighbor—geopolitical tensions, full-fledged economic recovery from the pandemic, responses to global issues such as climate change, to name a few. These are all adding urgency. We hope that the progress over the issue will lead to the development of the Japan-South Korea relations going forward.

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