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## JAPAN, CHINA REMAIN DEADLOCKED OVER HOW TO RESOLVE GAS ROW

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Japan and China clarified their respective positions but were unable Thursday to agree on how to resolve their dispute over natural gas drilling in the East China Sea, where the two sides disagree over their exclusive economic zone boundaries.

During the one-day talks in Tokyo, Japan rejected China's proposal for joint development of two gas fields and China refused Japan's idea to tie up at four other sites, Japanese officials said.

Japan pointed out "problems" in the Chinese proposal, said Kenichiro Sasae, chief of the Asian and Oceanian Affairs Bureau at the Foreign Ministry who heads the Japanese team, but he would not give any details. "Now we understand what the Chinese side is thinking (about their proposals), but at the current stage, we cannot accept them," Sasae told reporters during a break halfway through the day. "Basically, what is important for us is that Japan's legal and economic rights are secured."

Nobuyori Kodaira, director general of the Natural Resources and Energy Agency, said China also pointed out problems with Japan's proposal.

The meeting was the first one in two months. The previous talks were held in Beijing.

Both sides agreed to meet again and would try to arrange the next round of the talks "as soon as possible," Sasae said, adding they were eyeing June.

"Although we have differences, we must be confident of the outlook of our talks. It is our common goal to make the East China Sea a sea of peace, friendship and cooperation," Hu Zhengyue, head of the Chinese Foreign Ministry's Asian Affairs Department, said at a speech to open the meeting.

Japan proposed last fall that the two nations jointly develop four gas fields near the median line in the East China Sea that Japan claims divides the two EEZs. China calls the four fields Chunxiao, Tianwaitian, Duangiao and Longjing; and Japan calls them Shirakaba, Kashi, Kusunoki and Asunaro, respectively.

China strongly objected to that proposal and in March suggested joint development of two other areas - one close to the Japan controlled Senkaku Islands and on Japan's side of the median line, and the other farther north.

Beijing also rejects the median line division and says its EEZ stretches to the edge of continental shelf, near Okinawa and encompassing Taiwan. Both sides reckon international law backs up their cases.

The dispute centers around gas fields straddling the median line. China has been developing fields on its side close to the line.

In 2004, China began exploratory drilling at the Chunxiao gas field, only a few kilometers on China's side of the median line. Full output is believed to be imminent.

Tokyo, fearing gas could be siphoned off from Japan's side of the line, demanded Beijing suspend drilling at Chunxiao.