



## 26th Annual Meeting of the EU-Japan Business Round Table

12 February 2025, Tokyo

### “Japan and the EU – Global Partnership in a Changing World”

#### JOINT RECOMMENDATIONS

The 26th Annual Meeting of the Japan-EU Business Round Table (“BRT”) took place in Tokyo, and addressed ‘Economic Security’, ‘Industrial Competitiveness’, and other issues of common interest. It was an in-person meeting, and we revamped the format to encourage discussion and facilitated an invigorated exchange of ideas between the Authorities from Japan and the EU, and private sector representatives, making it a significant and meaningful meeting. The meeting was co-chaired by Dr. Nobuhiro Endo, Executive Advisor of NEC Corporation and, for the first time, by Dr. Belén Garijo, Chair of the Executive Board and CEO of Merck.

Complex times which bring new challenges and new opportunities require multifaceted answers. Thus, several interlinked topics are priorities for the BRT. The themes selected for this year’s BRT Annual Meeting were identified through an extensive consultation of the BRT members.

It is our privilege to submit the recommendations of the BRT members this year to the Leaders of Japan and the EU.

#### **ECONOMIC SECURITY:**

##### **The need for EU-Japan efforts in an increasingly turbulent security environment**

The topic of Economic Security appears today as a priority topic for both regions. In a new era of economic security, Japan and the EU have an unparalleled potential for cooperation. Leveraging our common values, and common economic interests, we can play a leading role in shaping the future world order. By implementing these recommendations, the EU and Japanese Authorities will benefit from more resilient supply chains, an innovation-enabled technology base, an economic zone with shared values, and enhanced collaboration and information sharing.

We welcome the entry into force of the EU-Japan Strategic Partnership Agreement. The Agreement provides a comprehensive framework for enhanced political and sectoral cooperation, which will ensure closer political and economic cooperation on bilateral, regional and multilateral economic

security related issues. Japan and the EU should use this mechanism to strengthen the rules-based global order, enhance global governance and defend joint values and principles such as working together to share priorities and experiences and exchanging on coordinating joint responses to common threats.

The BRT encourages the support for strengthening democracy in the Global South. We believe it will contribute to long-term political stability and the creation of an international order based on common values. We believe that promoting the future economic competitiveness and sustainable development of both the Global South and Japan/EU will lead to the strengthening of the economic security environment of Japan and the EU, as well as the promotion of international trade based on the rule of law.

The BRT also wants to emphasise the importance of other key parameters of Economic Security, such as the need for robust cybersecurity to protect businesses and infrastructures, as well as trusted data flows. Additionally, it is necessary to develop a clear and balanced exchange on export control mechanisms and restrictions. The EU and Japan should work together very closely with a view to cooperating with other partners. At a time of growing instability in various parts of the world, the BRT seeks to reaffirm our values such as human rights, the rule of law, democracy and fundamental freedoms. Ensuring a rules-based international order and multilateralism is essential. We must also keep the dialogue with our global partners, competitors and rivals, especially in light of differences to ensure the continuation of thriving global free trade.

## **INDUSTRIAL COMPETITIVENESS:**

### **The need for EU-Japan efforts for healthy economic growth, investment, and prosperity**

Industrial competitiveness in the 21st century depends on addressing multiple challenges, including the technological and green transformations, as well as market globalisation.

We discussed the opportunities for developing trade, expanding investment, and enhancing human resources development. By working together, we can create an enabling environment for businesses to thrive, drive economic growth amid the digital and green transformation, and contribute to a more sustainable and inclusive global economy, for large and for small and medium-sized enterprises.

The BRT firmly believes in the importance of close cooperation on these objectives. We must invest more in Research & Development, as well as significantly improve the conditions that allow the increase of innovation to generate growth and competitiveness. In this regard, the BRT emphasises the importance of investment in human capital and in education and skills, as well as the exchange of talent between our two regions. The BRT also encourages Japan and the EU to focus on promoting entrepreneurship and significantly improve conditions for start-ups to be able to scale-up in our two regions. Additionally, the EU and Japan must strengthen mobility of human resources that is essential for the next generation of industries.

The BRT welcomes the fact that the European Commission and the Japanese Government have commenced negotiations on an agreement for Japan's association to Horizon Europe.

Japan and the EU should prioritise investment in green technologies and digitalisation projects. This would help strengthening industry's global competitiveness especially in the field of sustainability. They should also grow strategic industries and create new industries in fields such as life sciences, healthcare, semiconductors, renewable energy, circular economy, energy storage and management, and smart manufacturing systems.

A successful industrial strategy, such as the forthcoming EU Clean Industrial Deal, will require a sound competitive environment that enables the digital and green transition. Similarly, in Japan a robust digital infrastructure is needed to support the "Green Growth Strategy through Achieving Carbon Neutrality in 2050". Such strategies must be accompanied by regulatory simplification and the reduction of administrative burdens.

Such an approach will enable and not hinder industry growth. It will also accelerate efforts toward structural changes in energy and industrial sectors and help the BRT's members to deliver maximum green transition results.

## **WORKING PARTY RECOMMENDATION HIGHLIGHTS**

The BRT endorsed the Recommendations to the Authorities prepared by the BRT's four Working Parties. The Recommendations are developed according to the two themes for this year's BRT: 'Economic Security' and 'Industrial Competitiveness.' While the full sets of recommendations from Working Parties (WP) are available as separate sets, the key, overarching points that each WP would like to highlight include:

(WP1) Trade Relations; Investment and Regulatory Cooperation; Financial Services, Accounting and Taxation:

- Establishment of a comprehensive EU-Japan cooperation framework on competitiveness
- Ambitious multilateral trade agenda for the next WTO Ministerial Conference
- Harmonisation of regulations and standards

(WP2) Life Sciences & Biotechnology, Healthcare and Well-Being:

- Towards the Realisation of Sustainable Future through the Bioeconomy
- Utilisation of DSI (Digital Sequence Information on Genetic Resources) should be carefully discussed
- Active support should be provided in order to achieve carbon neutrality at an early stage, such as securing biomass raw materials and establishing evaluation and certification systems, to strengthen material production through the utilisation of biomass

(WP3) Digital Innovation & Mobility:

- Development of Next-Generation Computing Infrastructure (EuroHPC JU)
- R&D cooperation.
- Cooperation in the Enforcement of Large Online Platform Regulations
- Industrial Cooperation in Unmanned Aerial Vehicle and systems (UAV)

(WP4) Environment & Sustainable Development:

- Measures and policies of both authorities against climate change
- Use regulation to improve quality of life and environment but prevent regulation from stifling innovation and progress
- Promotion of resource efficiency and the circular economy
- Realisation of a resilient and comfortable life

## CONCLUSION

Our goal is to promote dialogue and cooperation between Japan and the EU Authorities, with a view to enhancing business confidence and promoting sustainable economic growth.

## ACKNOWLEDGEMENTS

On behalf of the BRT, we would like to express our gratitude to Mr Takayuki Kobayashi, Member of the House of Representatives, and Ms Kerstin Jorna, Director General of DG GROW, for their invaluable guidance on themes ‘Economic Security’ and ‘Industrial Competitiveness’ in the keynote speech. Their contributions were invaluable in facilitating an efficient and productive meeting process. We would also like to thank Mr Osamu Mogi, Representative Director & Senior Executive Corporate Officer, Kikkoman Corporation and Mr Nikolaus Boltze, Country Representative – Japan, thyssenkrupp AG for sharing their insightful perspectives in the “For 2025 and beyond” session, which will inform BRT’s medium to long-term strategic planning. Last but not least, we would like to acknowledge the support of the Japanese and EU Authorities.

Dr. Nobuhiro ENDO  
BRT Co-chair  
NEC Corporation

Dr. Belén GARIJO  
BRT Co-chair  
Merck KGaA