Joint Statement

of the Federal Ministry for Economic Affairs and Energy

of the Federal Republic of Germany

and the Ministry of Economy, Trade and Industry of Japan

on economic policy and cooperation

Dr Ulrich Nussbaum, Secretary of State at the German Federal Ministry for Economic Affairs and Energy (BMWi) and Mr Shigehiro Tanaka, Vice Minister for International Affairs at the Ministry of Economy, Trade and Industry of Japan (METI) co-chaired the 18th meeting of the Japanese-German economic policy consultations between BMWi and METI (referred to as “both sides”) on 6th of November 2019, held in BMWi, Berlin.

Both sides affirmed the successful development of economic and political cooperation between BMWi and METI, notably the steady progress based on the Hannover Declaration of 2017 and the Joint Declaration of Intent of the Ministry of Economy, Trade and Industry of Japan, the Ministry of Internal Affairs and Communications of Japan and the Federal Ministry for Economic Affairs and Energy of the Federal Republic of Germany, on economic policy and cooperation in 2018 in the following areas:

1. **Multilateral and bilateral trade policy**

Both sides recognise the importance of striving to realise a free, fair, non-discriminatory, transparent, predictable and stable trade and investment environment, to keep our markets open and to fight against protectionism including all unfair trade practices.

Both sides reaffirm their support for strengthening the multilateral trading system with the WTO at its centre. They intend to continue to advance necessary WTO reform with regard to its rulemaking, monitoring and dispute settlement functions. In this regard, they welcome the trilateral cooperation among the EU, Japan and the US to achieve a level playing field, including by a joint proposal to strengthen transparency in the WTO, improving compliance with notification obligations, and efforts to develop stronger WTO rules on industrial subsidies.

Both sides emphasise that the development of a digital economy depends on an open, free, stable, accessible, interoperable, reliable and secure cyberspace. Both sides express their commitment to accelerating discussions on a digital economy, including international rule-
making on trade-related aspects of electronic commerce at the WTO with the resolve to achieve substantial progress by the 12th WTO Ministerial Conference, under the “Osaka Track” launched at the margin of the G20 Osaka Summit. This work is intended to be guided in particular by the concept of data free flow with trust (DFFT – as declared by the G20 leaders in Osaka). Both sides will work together to enhance trust concerning data security, while respecting each other's respective regulatory framework.

Both sides welcome the entry into force of the EU-Japan Economic Partnership Agreement. It is deemed an important signal for free trade and against protectionism, and it further strengthens the economic relationship between Japan and Germany.

Both sides also reaffirm the importance of cooperation in the field of critical technology control through further discussions in the existing successful dialogue on director general level.

2. Industrial policy cooperation

a. Industrie 4.0 / Connected Industries

In the fields of smart manufacturing and cyber security, Plattform Industrie 4.0 of Germany (PI 4.0) and the Robot Revolution & Industrial IoT Initiative of Japan (RRI) have had more than 50 expert meetings since 2016. Both sides highly commend the publication of the joint reports on international standardisation on smart manufacturing and cybersecurity by PI4.0 and RRI in two consecutive years.

b. Automotive

Both sides share the view that Connected, Autonomous, Shared, Electric (CASE) is the new technology which is developing and changing the automobile industry. In this context both sides welcome a continuation and possible intensification of their bilateral exchange on automobile issues. Both sides commend the steady progress on cooperation in the field of autonomous driving and its safety evaluation standardisation between the Pegasus project and the Japan Automobile Manufacturers Association (JAMA). Furthermore, both sides also welcome the fact that V&V and SetLevel4to5, the successors to the Pegasus project, will continue to cooperate with JAMA. Both sides welcome positive synergies with the Japanese-German Research Cooperation on Connected and Automated Driving. Both sides express their satisfaction on the recent discussion for re-launching their joint cooperation in the area of externally chargeable battery electric vehicles. Both sides welcome the joint research project on internal combustion.
c. Exploration and use of outer space for peaceful purposes
Both sides welcome the on-going effort to expand space industry cooperation such as exchanging public-private delegations from both countries. Both sides welcome the business matching event for the outer space industry to be held in Germany in February 2020.

d. Research and development
Both sides highly commend the joint research cooperation between German and Japanese companies supported by the Federal Ministry for Economic Affairs and Energy in Germany and the New Energy and Industrial Technology Development Organization (NEDO) in Japan. Both sides express their satisfaction that they have supported seven projects since 2017 including two new projects from the CORNET scheme (for pre-competitive research) in 2019 for the first time.

e. Artificial intelligence
Both sides welcome the commencement of joint research for artificial intelligence of autonomous driving next year between the German Research Center for Artificial Intelligence (DFKI) and the Artificial Intelligence Research Center, the National Institute of Advanced Industrial Science and Technology (AIRC/AIST).

f. Start-ups
Both sides welcome that Japanese start-up companies joined “Start-up Night 2018” held in September 2018 and “IFA NEXT” held in September 2019 in Germany. Both sides share the view that participation of German start-ups in relevant events in Japan will further facilitate cooperation between start-ups in Germany and Japan.

3. Energy policy cooperation
Both sides recognise the inherent opportunities for innovation, competitiveness, growth and employment in the field of energy. Both sides reaffirm the signature of the Declaration of Cooperation (DOC) on Energy Transition between BMWi and the Agency for Natural Resources and Energy, METI on 15th June 2019 on Vice Minister level at the margin of the G20 Ministerial Meeting on Energy Transition and Global Environment for Sustainable Growth in Karuizawa. Both sides welcome the progress made on the bilateral cooperation including the “Japan-Germany Energy Transition Cooperation Committee” based on the DOC.
Both sides agree that the next Japanese-German economic policy consultations between BMWi and METI will take place in Japan in 2020. This will review the progress on the preceding cooperation and other areas of mutual interest.

This Joint Statement was signed in Berlin on 6th of November 2019 in duplicate in the English language.

For the
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For the
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