

Joint Statement of the 2nd Japan-UK Strategic Economic Policy and Trade Dialogue
March 7, 2025

Mr. MUTO Yoji, Minister for Economy, Trade and Industry of Japan, and the Rt Hon Jonathan Reynolds MP, Secretary of State for Business and Trade of the United Kingdom, held the 2nd Japan-UK Strategic Economic Policy and Trade Dialogue in Tokyo.

1. Ministers welcomed the relationship between the two countries, stronger than ever, and reaffirmed the importance of working together to achieve sustainable, inclusive, and resilient growth in both our countries, continuing to build on the strong foundations of the Hiroshima Accord. They also welcomed the UK's accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) last December and noted the smooth operation of the Japan-UK Comprehensive Economic Partnership Agreement (CEPA). They reaffirmed their commitment to work closely together to uphold the agreements' strategic values and maintain high standards in rules and market access, and to continue working together on the implementation and utilization of CPTPP and CEPA. They emphasized a shared desire to further collaborate on projects between Japanese and UK companies in third countries, noting that Japan and the UK's respective export credit agencies have financial support mechanisms to support this.
2. Ministers reaffirmed their support for the rules-based multilateral trading system, with the World Trade Organization (WTO) at its core, and committed to working toward the necessary reforms of the WTO, including working through the G7 and G20. Ministers reiterated their commitment to improve all the WTO's functions, including negotiation, monitoring, deliberation and dispute settlement, so that Members can better address pressing global trade challenges and promote sustainable economic growth. They underlined the importance of working together to ensure a global level playing field, through developing stronger international rules and norms as well as effectively utilizing existing tools, and delivering a free, open, fair, non-discriminatory, transparent, inclusive, and predictable trade and investment environment.
3. Ministers expressed concern about non-market policies and practices including harmful industrial subsidies, market-distortive practices of state-owned enterprises (SOEs) and forced technology transfer, as well as harmful non-market excess capacity and other market distortions resulting from them. They reconfirmed the importance of working together to build resilient and reliable supply chains with like-minded countries and concurred to ongoing bilateral supply chain collaboration including analytical exchange and sharing insights into critical industrial supply chains, with a view to identifying further areas for longer term cooperation. They concurred to continue exploring non-price criteria that take into account not only economic factors, but also factors linked to the Principles on Resilient and Reliable Supply Chains, endorsed by G7 Summit in June 2024, in demand-side policy tools. They also concurred to continue discussions on strengthening coordination on their respective policies to further promote and protect critical technologies, encouraging

strategic public-private partnerships. For this, they concurred to deepen cooperation on export controls and research security to further facilitate the exchange of controlled goods and technologies between the two countries.

4. Ministers affirmed fostering an industrial strategy partnership to support growth and economic resilience in industrial sectors, and concurred to support and promote investment in each other's economies, including through policy discussion on trade and investment facilitation and, where appropriate, by providing support to companies seeking to invest. The industrial strategy partnership should also include further cooperation on the digitalisation of trade, and in trade and manufacturing, such as space and defence industries. Ministers expressed their expectations for the integration of Japan-UK technology ecosystems and innovation in sectors including AI, semiconductors, engineering biology, and quantum technology supported by bilateral innovation and industrial research programmes delivered by Innovate UK and New Energy and Industrial Technology Development Organization (NEDO) to support deep tech start ups. They concurred to exploring opportunities to harness science and technology excellence to drive regional economic growth in both countries, including in the UK through the Oxford-Cambridge corridor. On advanced manufacturing, Ministers recognised the long track record of Japanese investment into the UK automotive sector and UK vehicle exports to Japan, as well as joint interests in economic security and supply chain resilience, and acknowledged commitment of responsible senior officials to hold a regular dialogue to exchange insights on policy approaches and challenges, and maximise the commercial opportunities in both nations' automotive sectors.
5. Ministers reaffirmed their shared commitment to keeping a limit of 1.5C temperature rise within reach and achieving net zero by 2050. Ministers underlined the importance of strengthening cooperation, including through the industrial strategy partnership, in clean energy including offshore wind, hydrogen, solar energy, nuclear energy, and Carbon Capture, Utilization, and Storage (CCUS). They welcomed the signing of the Memoranda of Cooperation on offshore wind cooperation among governments, organisations, and companies, and on cooperation in advanced robotics and autonomous systems. They expressed their expectations for deepening cooperation in the nuclear field including advanced nuclear technologies, fusion energy, and further collaboration in nuclear decommissioning.