

## FACT SHEET

### Japan–Republic of Korea Supply Chain Partnership Arrangement

The Ministry of Economy, Trade and Industry (METI) of Japan and the Ministry of Trade, Industry and Resources (MOTIR) of the Republic of Korea have signed the Supply Chain Partnership Arrangement to strengthen bilateral cooperation and enhance supply chain resilience. The Arrangement is based on the Three Rs principles related to the: Readiness, Restoration, and Resilience.

#### **Key Areas of Cooperation: The Three Rs**

##### **1. Readiness: Preparing for Potential Supply Chain Disruptions**

- Both participants will share expertise and best practices related to supply chain policies, operations, and management. If necessary, either participant will notify the other if signs of a potential supply chain disruption are discovered.

##### **2. Restoration: Cooperating in Recovery and Restoration of Affected Sectors**

- In the event of a supply chain disruption, either participant may request an emergency meeting to respond to the disruption and minimize negative impacts. Support measures may include: sharing best practices and experiences; business matchmaking to support recovery; encouraging stakeholders to explore alternative supply sources; and other support necessary. The meeting will be held within five (5) days from the request unless a valid reason prevents it.
- Both participants will endeavor to minimize unnecessary restrictions or impediments to trade affecting supply chain resilience. Either participant may request consultations and have reasonable opportunity to comment such restrictions or impediments.

##### **3. Resilience: Strengthening Cooperation in Critical Sectors**

- Both participants will cooperate in the following areas:

###### **(a) Collaborated Responses to Global Supply Chain Issues**

- Cooperating to mitigate adverse effects from changes in the global trade environment, including carbon emissions regulations and excess capacity.

###### **(b) Cooperation on Critical Minerals**

- Exploring jointly alternative supply sources and investment may be considered as necessary; cooperating on technologies to minimize the environmental impact of mining and use resources efficiently, as well as technologies to reduce waste in refining and processing.

###### **(c) Cooperation on Resources Industries**

- Making efforts to create opportunities for exploration of potential sources and investments; promoting risk management for stable resource supply chains; collaborating on supply chain cooperation for LNG.