

## Joint Statement of the Energy and Industry Dialogue

April 29, 2025

H.E. Muto Yoji, Minister of Economy, Trade and Industry of Japan, and H.E. Pichai Chunhavajira, Deputy Prime Minister and Minister of Finance of the Kingdom of Thailand, co-chaired the First Energy and Industry Dialogue held in Bangkok, Thailand. Also in attendance was H.E. Akanat Promphan, Minister of Industry.

Japan and Thailand have built a strong economic partnership over many years, particularly establishing a close cooperative relationship to achieve the goal of next generation technology and a low-carbon society in both countries. Notably, many Japanese manufacturing industries, including the automotive sector, have established production bases in Thailand, benefiting from the country's stable and high-quality infrastructure and workforce, and deepening their mutually beneficial relationship over time.

Both Japan and Thailand share the goal of achieving carbon neutrality by 2050, pursuing a clean, sustainable, just, affordable, and inclusive energy transition towards carbon neutrality/net-zero emissions through diverse and realistic pathways. In the industrial sector, products and services that are environmentally friendly, providing benefits to local economies, low-carbon supply chains, and support decarbonization are becoming globally more competitive, necessitating new initiatives that respond to these changes and trends.

In light of this background, both countries have decided to establish this dialogue with the aim of enhancing industrial competitiveness in the next-generation energy transition and low-carbon society under the close cooperation between two countries.

### **<<Outcomes of the First EID>>**

#### **Promotion of Multi-Pathway**

(1) Recognizing the global demand for diverse vehicles such as EVs, FCEVs, HEVs, and ICEs, confirming the importance of promoting policies based on the concept of "multi-pathway" to promote Thailand as a production and export hub for the next generation vehicle.

(2) From this perspective, confirming our commitment to: (i) further promote the importance of diverse vehicles to establish a certain level of domestic demand, (ii) achieve a competitive production and export base for next generation vehicles through a high local content rate, and (iii) enhance the industrial competitiveness of Thailand's next-generation automotive industry by decarbonizing manufacturing processes in the supply chain of various vehicles, including ICEs, and improving productivity and resilience.

(3) Furthermore, confirming the pathway to promote the use of sustainable fuels such as hydrogen, e-fuels and bio-fuels advancing the introduction of next-generation automotive technologies to establish a production and export base for next-generation automobiles. In particular, concurring our commitment to further explore specific measures, including support for the establishment of a regulatory framework for new fuel utilization in both countries.

(4) Japan's commitment to support the multi-pathway strategy in Thailand through a comprehensive and result-oriented partnership by promoting the strategic importance of integrating Thai enterprises into high-value segments of the next-generation automotive industry. Both countries confirm to share the importance of promoting Software-Defined Vehicles (SDVs) and to promote cooperation across the entire supply chain and value chain, including data collaboration starting with Life Cycle Assessment (LCA). Both countries aim to translate the multi-pathway strategy into tangible outcomes that foster innovation, enhance industrial competitiveness, and promote inclusive and sustainable economic growth.

(5) Reaffirming the commitment of both Thailand and Japan to strengthen the resilience and adaptability of automotive and related supply chains, in response to increasing global economic uncertainties. This collaboration aims to enhance the global competitiveness of both countries through deeper industrial cooperation and mutual support.

### **Promotion of Circular Economy**

(1) Reaffirming the importance of realizing a circular economy from both the perspective of solving environmental issues and establishing new industries.

(2) As part of this, confirming our commitment to advance the establishment of an ecosystem for the timely scrapping and recycling of aging automobiles, including the construction of an automotive recycling and remanufacturing system, the establishment of cooperative frameworks among relevant agencies, and the promotion of investment in dismantling and recycling companies, under the cooperation of both countries.

(3) Recognizing that utilizing digital technologies to achieve decarbonization and productivity improvements across the entire supply chain is directly linked to securing future competitiveness. Confirming our commitment to continue sharing challenges and countermeasures in both countries towards these initiatives.

### **Maintaining and Developing a Competitive Supply Chains and Human Resources (Including Support for SMEs)**

(1) Recognizing the importance of promoting robust domestic demand for pickup trucks, PPVs, and eco-cars, which are core export products of Thailand and form the foundation of the livelihoods of the Thai people, in order to maintain the current supply chain and facilitate the introduction of next-generation automotive technologies

(2) Sharing the recognition that the rapidly changing business environment of Thailand's automotive industry, due to global circumstances, and the uncertainties for capacity could lead to long-term damage to the industrial base. Confirming our commitment to maintaining a fair and sustainable business environment through close collaboration between both countries.

(3) Confirming the importance for Thailand's automotive supply chain to appropriately benefit the support industries in order to maintain a fair and sustainable business environment. From this perspective, confirming our commitment to consider suitable measures including fiscal and financial supporting measures.

(4) Confirming the consideration including non-price factors, such as sustainability, in the evaluation criteria for support measures for automotive and battery-related products.

(5) Confirming our commitment to facilitate measures to maintain an environment that does not induce unfair trade practices which could undermine a fair and sustainable business environment.

(6) Reaffirming the source of competitiveness in Thailand's manufacturing industry including automotive sector has progressed through diverse partnerships between private enterprises in both Japan and Thailand, as well as support from public institutions, focusing on human resource development and technology transfer. Confirming our commitment to continue : (i) promoting human resource development in skills development, technical training, and upskilling/reskilling programs in key areas such as next-generation technologies, circular economy and decarbonization across the entire supply chain and : (ii) strengthening the resilience of supply chains, through training programs, working together in public- private partnership of Japan and Thailand, with due consideration for the benefits to supporting industries and : (iii) Emphasizing the importance of align training curricula which industry needs through close cooperation among governments, industries and academic institutions.

### **Future Directions**

Concurring that follow-up actions at the working level will be conducted for each individual item discussed in the Energy and Industry Dialogue. Confirming the report of the outcomes of these follow-ups at the second Energy and Industry Dialogue, scheduled to be held in one year.