

**Recommendations
of the
EU-Japan Business Round Table
to the Leaders of the European Union and Japan**

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**Working Party 3
Digital Innovation and Mobility**

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List of Abbreviations

Abbreviation	Meaning
AI	Artificial Intelligence
BASA	Bilateral Aviation Safety Agreement
BRT	EU-Japan Business Round Table
DPA	Data Processing Agreement
DX	Digital transformation
DFFT	Data Free Flow with Trust
EASA	European Aviation Safety Agency
EPA	Economic Partnership Agreement
EU	European Union
GDPR	General Data Protection Regulations
GX	Green transformation
ICT	Information & Communications Technology
IFR	Instrument Flight Rules
IoT	Internet of Things
ITA	Information Technology Agreement
JISC	Japanese Industrial Standards Committee
MC	Ministerial Conference
MRO	Maintenance, repair and overhaul
NIS	Network Information Security
RE	Renewable energy
SME	Small and Medium-sized Enterprise
R&D	Research and Development
WP	Working Party
WTO	World Trade Organization

Introduction

Digital Innovation

The global challenges facing the world are complex and interrelated. Collaboration between the public and private sectors of Japan and the EU, which share fundamental values, is more important than ever when advancing the development of a safe and secure digital society, solving global environmental problems, and improving people's wellbeing. Considering the geopolitical tensions, the viewpoint of economic security is also necessary to advance digital transformation. By the conventional approach, CO₂ consumption is expected to increase as digitisation proceeds, and environmental considerations must be considered. Based on this recognition, Japan and the EU should promote policy coordination with the three axes of DX (digital transformation), GX (green transformation) and economic security in mind. In addition, Japan should promote cooperation not only with the EU but also with other G7 member countries, and with the Global South countries.

The BRT believes that building social acceptance among stakeholders including citizens, business and organisations across countries and sectors is essential to achieving digital transformation through the social implementation of digital technologies. It is necessary for society to properly understand the technologies and enhance the social implementation and application of new technologies. The BRT believes that everyone can benefit from digital transformation by engaging in open discussions with stakeholders, including civil society.

The BRT recognises and highly appreciates that EU-Japan cooperation on digital issues is advanced by the Japan EU Joint Statement of the first meeting of the Japan-EU Digital Partnership Council in July 2023.

The BRT also welcomes the G7 Ministerial Declaration of the April 2023 G7 Digital & Technology Ministers' Meeting.

The BRT acknowledges that the EU and Japan recognise the importance of promoting the free flow of data with trust in companies and society.

The BRT is also supporting initiatives that aim to build digital sovereignty and believes it should not be a tool for protectionism which prevent market access for companies and investments on new technologies and R&D project and programmes such as Horizon Europe, Digital Europe and other Public/Private initiatives.

In Cybersecurity and other key topics such as Artificial Intelligence, it is important to work together on best practices that are shared as *de facto* standards and applicable at international level. The same goes for regulatory cooperation and mutual support on R&D investments and programmes following some good initiatives between the EU and Japanese Government.

Additionally, digital innovation and artificial intelligence developments have steadily gained traction in the last few years. While the EU and Japan have acknowledged and supported this domain, many barriers remain for SMEs including start-ups in that

space who wish to expend abroad. Reinforced initiatives and support should be considered to help them fully develop and mature while promoting a more connected and developed ecosystem, providing stronger growth potential and opportunities.

Aeronautics

The Covid-19 pandemic has had a huge impact on passenger air transport and a more limited impact on airfreight. Consequently, demand for aircraft has decreased, impacting aeronautics industries. Return to the pre-Covid-19 situation will probably take a few years.

That said, EU and Japanese industries are major suppliers to the global aeronautics market. Both, however, are challenged by aggressive new entrants. In this context, joint technology and project development is necessary for both sides to maintain their technological leadership and competitiveness.

In the perspective of the post-Covid-19 world economic recovery that will spur aircrafts demand, more government-led cooperation and continued support from both authorities is needed to help the EU and Japanese aircraft industries bring to fruition the development of their relationship while meeting the EU's environmental, social, and safety requirements.

Space

EU and Japanese space industries are major suppliers of space products and services. The global commercially accessible space market is expected to grow.

However, as government budgets remain low and competition increases, mutually open markets and cooperation are a possible opportunity for the EU and Japan to achieve their goals in space and for their industries to realise their full potential in the global market. We urge the resumption of meetings of the EU-Japan Space Dialogue on a regular basis in order to collaboratively accelerate this dialogue to make the Japanese and EU space industry more competitive.

Mobility

The transformation of the mobility industry towards decarbonisation and digitisation requires technological innovation and both public and private investment. To reduce excessive dependencies from third countries or regions, diversification and strategic cooperation among like-minded partners like the EU and Japanese authorities and businesses is required.

For electric vehicles (EVs), targeted funding for battery technology development, production, and recycling, including a stable and sustainable supply of critical minerals, and governmental support in setting up and sustaining the development of charging infrastructure is required.

To achieve a holistic long-term CO₂ reduction in the transport sector, considerable amounts of renewable energy are needed. This requires an ambitious expansion of renewables, quick approval procedures and the expansion of electricity grids. In the future, green electricity must be available to companies in the EU and Japan at internationally competitive prices.

Interconnected, highly automated and, in the future, autonomous vehicles have the potential to make traffic safer, cleaner and more efficient. For the new technologies, a clear, adequate and harmonised legal framework is indispensable, which includes ethical aspects in product development and addresses product and road safety as well as the data protection interests of users for data collection and use. Furthermore, adjustment of the infrastructure towards greater interconnection is helpful and increases comfort – for example, a comprehensive, uninterrupted, fast radio network. This also includes measures such as digital city maps and clearly legible road markings and traffic signs. The licensing of data from vehicles and their use for service and innovation will become an important new business model. EU and Japanese mobility companies are counting on the active support of the EU and Japanese Authorities to set the necessary regulatory framework for this transformation.

Recommendations from Both European and Japanese Industries

Digital Innovation

WP-3 / # 01* / EJ to EJ **Strengthening EU-Japan Cooperation to Realise DFFT**

A) Cooperation in Rulemaking on Global Digital Trade

The BRT calls on the EU and Japanese Authorities to:

- Stay committed to free trade and multilateralism and develop a high standard, such as cross-border data flows, prohibition of data localisation requirements especially usage or location of computing facilities in a jurisdiction's territory as a condition for conducting business in that territory, and access requirements of source codes and algorithms, non-discriminatory treatment of digital products. Exceptions and exclusions may be applied for sensitive and strategic data.
- Ensure that the moratorium on customs duties on electronic transmissions will be extended at the forthcoming WTO 13th Ministerial Conference in Abu Dhabi in February 2024, and made permanent.
- Pursue their work together to conclude an ambitious agreement on the Joint Statement Initiative on WTO rules on e-commerce, so as to secure the strongest possible commitments for confronting barriers to trade and facilitating the development of strong, interoperable regulatory frameworks in areas like privacy and cybersecurity.
- Work together with industry and like-minded governments to address third-country policies and practices that create unfair competitive conditions, such as unfairly limiting data movement, distorting subsidies, unreasonably enforced data localisation measures, other requirements for using local servers and software, requirements for transferring and accessing sensitive information such as source code, algorithm and encryption, and unrestricted and disproportionate access by governments to personal data held by private companies.
- Cooperate in the development of government access rules for personal data held by the private sector.
- Work with industry and like-minded governments to craft a balanced approach to multiple sector data flows in trade agreements and international frameworks that guarantees a high level of data protection and allows in-vehicle, mobility, and industry data to flow freely across borders to realise Data Free Flow with Trust (DFFT). Ensure consistency with international standards for cross-border data exchange (flows) rather than developing original standards.
- Cooperate in the OECD on the establishment of the IAP (Institutional Arrangement for Partnership).

The BRT believes that:

- The thirteenth WTO Ministerial Conference (MC13) will be a crucial meeting for driving the global digital trade rule negotiation.
- Agreement of the EU-Japan EPA and adoption of mutual adequacy decisions for the protection of personal data provide unique building-blocks for the EU and Japan to advance a common agenda at global level. In addition to mutually promoting digital innovation and transition, efforts to promote digital trade rules at the WTO and in FTAs are necessary to support level playing fields and long-term growth perspectives.

WP-3 / # 01* / EJ to EJ Strengthening EU-Japan Cooperation to Realise DFFT

B) Cooperation through EPA and Digital Partnership between Japan and the EU

The BRT congratulates the EU and Japanese Authorities for having reached agreement on the free flow of data between the EU Japan. Such an agreement is vital for companies that depend on free data flows between our two regions. Moreover, the BRT welcomes the Joint Statement¹ of the first meeting of the Japan-EU Digital Partnership Council in July 2023.

The BRT calls on the EU and Japanese Authorities to:

- Ensure that the recently announced agreement on EU-Japan data flows cover both personal and non-personal data and is implemented as soon as is practicable. It is, furthermore, essential that such an agreement is future proof.
- Pursue the dialogue between the two regions in the Digital Partnership to create mutual understanding of current and future regulatory frameworks including: data governance and rules including IoT data, open data, and standards, aiming for future cooperation and agreement in the regulatory cooperation framework of the EPA to eliminate legal uncertainties and complexities associated with the decentralised data sharing across sectors and regions. In this sense the Digital Partnership could closely support the EU-Japan Green Alliance's objectives and drive green transformation (GX).
- The BRT calls on the European Commission and Japanese Government to coordinate the Digital Partnership governance by connecting all related initiatives and projects and by allowing European and Japanese companies to strongly contribute to the DPA development by providing input on priorities, business cases and specific needs from industry side.

¹ <https://ec.europa.eu/newsroom/dae/redirection/document/96836>

WP-3 / # 02* / EJ to EJ Support for Social Implementation of Digital technologies

The BRT calls on the EU and Japanese Authorities to:

- Take strong leadership on forming data ecosystems and data spaces to achieve policy goals such as green, health and mobility.
- Promote cross-regional projects by enabling interoperability that promote a data-driven economy through decentralised data sharing. Future Digital Europe Programme calls should foresee cooperation between European and Japanese companies in the development of Data Spaces.
- Data formats should be standardised as far as possible using the same format to achieve the interoperability of data ecosystems between the EU and Japan.

The BRT believes that:

- The EU and Japanese Authorities are actively working to open data, but there are several countries and regions which are reluctant to open data. When DFFT will be expanded to all countries, the format must be as much as possible neutral in order to communicate effectively. From that time, it will be difficult to use different data formats in each country.

WP-3 / # 03* / EJ to EJ Cybersecurity for Safe, Secure and Trusted Society

The BRT calls on the EU and Japanese Authorities to:

- Pursue international harmonisation in the field of cybersecurity, in particular the alignment between the EU cybersecurity certification schemes and Japan's regulatory cybersecurity framework and the integration of international standards including on the certification and labelling of IoT devices and services.
- Take the lead on introducing new security technologies for the quantum computer age.
- Promote mutual adoption of technologies, products and services between the EU and Japan for the introduction of new security technologies in the quantum computer era.

The BRT believes that:

- Security is necessary as a precondition for creating value in cyberspace and the realisation of digital transformation. Without taking appropriate measures, however, the risks of increasing vulnerability might hold it back, or even seem to outweigh its benefits.
- Cybersecurity policy should be built on a shared responsibility in private and public sectors.

- A global coordinated approach is effective in coping with high-level attacks. An information-sharing scheme with regards to security incidents should be created between the national contact points in each EU Member State based on the NIS and NIS2 directives on the one hand and Japan on the other.
- The European Commission should work to ensure a harmonised implementation of NIS2 in the Member States.
- The EU's approach to establishing cybersecurity certification schemes for ICT, Cloud, AI and 5G would be a great benefit to developing a safer society where IT is penetrating and indispensable. Having said that, the EU should make full use of and, if needed, amend existing regulations to the minimum extent so that industry can comply with new regulations without any unnecessary burdens. For low-risk products, regulations should allow for self-assessment and self-declaration. In addition, whether new cybersecurity schemes would be mandatory or not shall depend on the risk level which also makes us believe that it must be clearly defined what cybersecurity risks are in products/services or usage scenes.
- The advent of the quantum computer age is expected to make existing cryptography obsolete. New security technologies for the quantum computer age are now in the stage of practical application, and the introduction of these technologies will benefit both the public and private sectors. The EU and Japan should further promote technological cooperation as trusted partners.

WP-3 / # 04* / EJ to EJ Social Implementation of human-centred AI Technology

The BRT calls on the EU and Japanese Authorities to:

- Support, develop, and implement human-centred, trusted AI applications to protect citizens' fundamental rights.
- Recognise that AI technologies are evolving and require ongoing discussion efforts, and that innovative governance with agility and flexibility is needed to encourage innovation and to avoid and mitigate negative impacts on society. Recognising that discussions on AI regulation are progressing in the EU, regulatory measures should be limited to AI applications that create truly serious risks, while ensuring legal stability and predictability while clarifying the scope of regulations, their rationale, and methods for measuring and assessing risks.
- Avoid imposing responsibilities of risk management and legal liability only on AI system developers, recognising the facts that AI technology itself is neutral and can be both a problem and a solution depending on how it is used.
- Strengthen cooperation on AI standardisation between the EU and Japan (JISC), promote the development and deployment of human-centred and reliable AI in both regions, and cooperate with international standards organisations (ISO/IEC JSC). A key area for cooperation should be the development of accurate standardisation framework for ethical AI applications.

- Avoid policies that pre-emptively restrict or prohibit potentially beneficial AI applications, including remote biometrics, without clear evidence that specific AI applications pose high risks to safety, health and fundamental rights.
- Enable broad AI application testing across different use cases and business sectors to ensure positive impact and reduce negative impact of AI applications.
- Enhance open and transparent dialogue with citizens of all generations and segments to avoid misunderstandings and highlight the social benefit of AI.
- Build bridges and links between existing public institutions and networks to centralise key information and facilitate SME expansion into new markets when addressing innovative topics (Example: establish, hire, or introduce a subsidiary).

The BRT believes that:

- Discussions about the potential risks of AI applications have only just begun in various industries, and it is premature to expect convergence. The concept of “risk” varies across industries and should be consistent with existing concepts. However we must be very careful in how we classify Artificial Intelligence on various technologies and ensure only systems that are truly AI should be classified as such. It is essential for European and Japanese to have stable legal certainty and predictable market conditions which are aligned and synchronised.
- Artificial Intelligence has the potential to bring innovation to our roads, increasing road safety and making our transport system more accessible.

WP-3 / # 05 / EJ to EJ ITA / ITA2 Expansion

The BRT calls on the EU and Japanese Authorities to:

- Cooperate on expanding ITA / ITA2 by increasing the number of member countries and expanding the scope of products covered and coordinate in coping with violations of WTO binding commitments by third countries based on ITA / ITA2 expansion.
- Furthermore, the expansion of ITA should enable citizens of Japan and the EU to benefit from the evolving IoT technology and DX, including AI.

WP-3 / # 06 * / EJ to EJ Updating Connectivity for Digital Transformation for All

The BRT calls on the EU and Japanese Authorities to:

- Strengthen cooperation between the EU and Japan in advanced research and development towards 6G.
- Promote open 5G networks, encourage free and vigorous competition in the 5G equipment market, and enhance the resilience of the supply chain.
- Facilitate the sharing of practical and effective use cases for 5G network applications and deployments. In the development of 6G, it is necessary to promote the development of technologies and applications that will be realised on 6G in parallel.

The BRT believes that:

- Ensuring availability of high speed and reliable connectivity for all is a necessary condition so that all citizens are able to enjoy the benefits of the digital transformation.
- 5G and expected 6G are key technologies for accomplishing “Society 5.0” such as “A human-centred society that balances economic advancement with the resolution of social problems by a system that highly integrates cyberspace and physical space”². Governments and the EU institutions should establish without delay policy frameworks to encourage the necessary investment from businesses and to ensure that trustworthy, open and secure 5G/6G infrastructure as well as optical networks that support these 5G/6G infrastructure will be available to all on a sustainable and market-oriented basis.
- 5G and 6G have important consequences in all fields of industry not only for innovative services, but also because of the need for a vast amount of relevant and trustworthy data as well as their analysis are required across borders to tackle various global challenges such as climate change, natural disasters and infectious diseases.

² Source: https://www8.cao.go.jp/cstp/english/society5_0/index.html

WP-3 / # 07 / EJ to EJ Development of Next-Generation Computing Infrastructure

The BRT calls on the EU and Japanese Authorities to:

- Promote the development of next generation computing infrastructure that can be used for industrial purposes.
- Strengthen research collaboration between Japan and the EU on next generation computing technologies such as quantum computing.
- Strengthen investment towards development and social implementation of solutions that contribute to solving local problems by utilising the next generation computing infrastructure.
- Work on lowering the regulatory barriers in order to tap into the full technological potential in the context of quantum computing and quantum chip development and production.

The BRT believes that:

- As the global environment becomes increasingly uncertain and social issues become more complex, it is becoming more and more important to utilise a variety of data to solve problems and create new value.
- Establishing next generation computing platforms with advanced computing capabilities, such as HPC, AI, pseudo quantum, and quantum computing; and creating an environment that can be used by many users will greatly contribute to solving complex social issues and realising innovation.

WP-3 / # 08 * / EJ to EJ Cooperation on Supply Chain Resilience

The BRT calls on the EU and Japanese Authorities to:

(Semiconductors)

- Become an ‘active player’ in the semiconductor value chain and build the whole ecosystem of capacities (front-end, back-end, equipment, materials, labour and energy) / competences around semiconductors.
- Share learning and build capacities for EU-Japan cooperation in the manufacturing of all types of chip technologies.

(Critical Minerals)

- Share learnings and build capacities for EU-Japan cooperation in the sourcing, refining, and trading of critical minerals.
- Promote a level playing field for EU and Japanese companies when it comes to supply chain resilience.

The BRT believes that:

- Global semiconductor demand is increasing significantly. Demand by the automotive sector will triple by 2030 due to autonomous driving, increasing vehicle connectivity, shared services and powertrain electrification. Besides state-of-the-art cutting-edge technologies, chips with bigger nodes (≥ 90 nm) are essential as they represent the largest share of demand from automotive sector.
- The transformation of the mobility and other industries requires a stable and sustainable supply of critical minerals (for e.g., batteries, advancement of key technologies). To reduce excessive dependencies on certain countries, diversification and strategic cooperation among like-minded countries are required.

WP-3 / # 09 * / EJ to EJ Skill Development for Digital Economy

The BRT calls on the EU and Japanese Authorities to:

- Take actions and invest to raise awareness and educate for all generations to gain benefits and confidence in digital transformation including on cyber security, AI, Robotics Simulation, Metaverse and Blockchain and other technologies .
- Support the creation of the skills which are necessary to fulfil the requirements of the new job opportunities coming from new technologies.
- Foster the digitalisation of SMEs and their participation in the digital economy.

The BRT believes that:

- New technologies such as AI and Robotics should be perceived as new opportunities to create jobs and economic growth.

WP-3 / # 10 / EJ to EJ Fundamental Reform of the Private Copying Levy System (Compensation System for Private)

The BRT calls on the EU and Japanese Authorities to:

- Cooperate to thoroughly reform the levy system about private copying considering the evolution of technology and distribution channels for lawful consumption of digital contents. Expansion of the current levy system to an increasing number of devices and cloud services should be avoided. Instead, any new levy system must be based on independent studies that show the actual use of copyrighted works and demonstrate the harm to the right holders resulting from the use.

The BRT believes that:

- Any review for reform should consider, in a comprehensive manner, alternative methods available to secure adequate compensation of rights' holders and creators from private copying as well as the development of licensed cloud-based

content streaming models. The goal should focus on reforming the system to be more transparent, predictable, and balanced, and to avoid distortions. Also, a new system shall be fair to consumers, rights holders, and service and equipment providers at the same time. To achieve these goals, we recommend:

- Keeping a close look on copyright levy developments in the EU Member States with a view to prevent internal market distortions.
- Ensure that the Member States properly implement EU legislation and case law.
- Coming forward with a recommendation for a clear and common approach to the calculation and application of copyright levies.

WP-3 / # 11 * / EJ to EJ R&D cooperation

The BRT calls on the EU and Japanese Authorities to:

- Strengthen strategic R&D cooperation in the EU's digital programme including Horizon Europe and Japan's Sixth Science, Technology, and Innovation Basic Plan.
- Lead the integration of various academic fields including humanities and social sciences, the creation of a forum for collaboration including human resource exchange, and international standardisation. to realise innovation development and social implementations under these programmes.
- Promote the creation and development of start-up ecosystems, including local communities, universities, and companies, and strengthen global partnerships in creating environments for start-up growth.
- Deepen R&D cooperation on semiconductors, AI, Quantum Technology computing, blockchain, 6G, hydrogen and fuel cells.
- Discuss Japan becoming an associate member in the Horizon Europe program.

The BRT believes that:

- Modern social systems are becoming more complex, and solving problems requires knowledge that is not confined to a single discipline or research area. In particular, collaboration between researchers in the natural sciences and engineering as well as those in the humanities and social sciences will lead to the resolution of social issues and the creation of new innovations.
- Start-ups are pioneers in transforming society through technological innovation and solving social issues. By strengthening cooperation between Japan and the EU to support the creation and development of globally viable start-ups, innovation in both regions should accelerate.

**WP-3 / # 12 / EJ to EJ Cooperation Towards Harmonised Deployment of
Advanced Driver Assistant Systems (ADAS) and
Automated Driving (In joint proposal with WP1
Regulatory Cooperation)**

The BRT calls on the EU and Japanese Authorities to:

- Enhance cooperation to harmonise regulatory frameworks and roadmaps to deploy automated and connected driving in a consistent and synchronised manner.
- Continue to lead efforts to create international standards and interoperability frameworks in the domain of automated and connected driving.
- Align with the EU's General Safety Regulation and its delegated regulations on Intelligent Speed Assistance (ISA), Emergency Lane Keeping Assistance (ELKS) and Advanced Driver Distraction Warnings (ADDW)

The BRT believes that:

- European and Japanese Industry have the potential to be front-runners in automated and connected driving which can create jobs and growth and bring innovation to our roads, increasing road safety and making our transport system more accessible.
- For European and Japanese companies to invest in automated and connected driving and bring solutions to the market it is necessary to have stable legal certainty and predictable market conditions which are aligned and synchronised.

Aeronautics

WP-3/ # 13 / EJ to EJ Government-Led Industrial Cooperation in Aeronautics

The BRT calls on the EU and Japanese Authorities to:

- Establish a permanent dialogue aiming to significantly upgrade the scale of EU-Japan industrial cooperation in aeronautics based upon mutual trust, equality and mutual benefits, and stimulated by government funding. This should include broad cooperation on environmental issues, such as sustainable fuels.

WP-3 / #14 / EJ to EJ Cooperation in Aircraft Certification

The BRT calls on the EU and Japanese Authorities to:

- Accelerate the discussion of the annexes linked to MRO and training.

WP-3 / # 15 / EJ to EJ Cooperation on Navigation Regulations for Helicopters

The BRT calls on the EU and Japanese Authorities to:

- Establish an increased level and better cooperation between Europe and Japan regarding the development of low altitude IFR routes and satellite-based navigation regulations for helicopters.

Space

WP-3 / # 16 / EJ to EJ Regulatory Cooperation in Space Operations

The BRT calls on the EU and Japanese Authorities to:

- Continue to cooperate closely on regulatory matters in the space sector, and not lose the momentum.
- Consider setting up an EU-Japan Space Industry Forum to meet systematically shortly after each EU-Japan Space Dialogue and to be supported and jointly held by governments and industries, with the goals of:
 - Better communicating key outcomes of the EU-Japan Space Dialogue;
 - Furthering industrial cooperation; and
 - Supporting the growth of a private space ecosystem.

The BRT believes that:

- Mutually open markets and cooperation are a possible opportunity for the EU and Japan to achieve their goals in space and for their industries to realise their full potential in the global market.
- The EU-Japan Space Policy Dialogue significantly promotes cooperation in Space and should be held a regular basis.
- Whereas European space companies, including SMEs, have mutually intercommunicating organisations (Eurospace, SME4space, national space industry associations) with formal communication channels to the institutional space customers, there is no such general channel to link EU and ESA member state space companies with the Japanese counterparts.

WP-3 / # 17 / EJ to EJ Technological and industrial cooperation on Japanese and European next generation of launch vehicles

The BRT calls on the EU and Japanese Authorities to:

- Strengthen technological and industrial cooperation in the framework of the development of the products and services related to space sector including next generation launch vehicles.

The BRT believes that:

- There is a similarity regarding the environment surrounding Japanese and European national launchers: Both have the responsibility *vis-à-vis* each respective government to guarantee an independent access to space and due to insufficient institutional demands, both must be commercially competitive in order to maintain a sufficient number of launches.

- Due to rapidly emerging new satellite applications, continuous improvements are required for both the Japan and the EU in order to be competitive in the commercial market. As a lot of similar hardware developments are required in such improvements, Japan-EU cooperation is indispensable in quick and cost-effective developments.

Mobility

WP-3 / # 18 / EJ to EJ Coordinated funding of battery production

The transformation of the mobility industry requires innovation and investment in battery technology. In order to reduce dependencies and remain internationally competitive, targeted funding is required.

The BRT calls on the EU and Japanese Authorities to:

- Coordinate funding of battery research, development, and production among like-minded countries which supports cell production and associated value creation in the EU and Japan.
- Provide cheap, green energy for battery production sites.

WP-3 / # 19 / EJ to EJ Promote charging infrastructure for electric vehicles (EVs)

Electric mobility requires governmental support in setting up and sustaining the necessary environment, especially the development of charging infrastructure.

The BRT calls on the EU and Japanese Authorities to:

- Share learnings regarding the promotion of electric mobility and the mobilisation of investment and build-up of international interoperable public and private charging infrastructure for EVs (passenger cars and heavy-duty vehicles).
- Develop customer-friendly and sufficient public and private charging infrastructures, including, e.g., a variety of choices for high-power charging along highways, subsidies for attractive home chargers, chargers in urban and rural areas incl. parking lots, subsidies regardless of charging standard, in EU member states and Japan.
- Promote exchanges between EU and Japanese companies on future charging standards and consider alignment of charging-related requirements and certifications.

- Promote exchanges on next-generation storage batteries and grid-flexibility, including potentials of bidirectional EVs.
- Provide green energy for EV charging.

WP-3 / # 20 / EJ to EJ EU-Japan industrial leadership in battery design & manufacturing

The BRT calls on the EU and Japanese Authorities to:

- Include innovating SMEs in battery industry development programs to foster European & Japanese industrial leaderships (RE technology in Japan, RE production capacity in Europe).

Recommendations from European Industries

WP-3 / # 21 / E to J Mutual Backup of Government Satellite Launches

The BRT calls on the Japanese Authorities to:

- Bring about a mutual backup cooperation scheme of government launches using Japanese and European launcher fleets.

The BRT believes that:

- The International Space Station future automated cargo spacecraft HTV-X could benefit from a back-up launch service aboard the future European Ariane 6 launch vehicle.

WP-3 / # 22 / E to J Accelerate the digital transformation

The BRT calls on the Japanese Authorities to:

- See innovation as an opportunity and not as a cost.
- Build digital maturity centres to support the transition to be competitive again. For example, establish inside universities centre with repeatable process to validate actual status versus the latest technologies in R&D and manufacturing, building a road map to fill the gap

The BRT believes that:

- Japan is behind everybody in digital transformation, losing competitiveness; needs to understand the current best practices and merge with Japanese excellence to recover market share.

WP-3 / # 23 / E to J Retain motivated engineers in Japan

The BRT calls on the Japanese Authorities to:

- Increase the value of living in Japan in order to attract the best talents.

The BRT believes that:

- Low compensation will let talents to go outside, so need to be aligned with the global market.

**WP-3 / # 24 / E to J Cooperation towards a protective but easy to
implement regulatory frameworks around digital
services and trade**

The BRT calls on the Japanese Authorities to:

- Adopt similar environmental and consumer protection rules to the European Union, enabling Japanese small, medium-sized and large businesses to maximise the development of digital service and promote trade, particularly online, between Japan and the European Union.

The BRT believes that:

- In a very fast-expanding legal context, notably in the digital sector or in the sale of goods online and offline, the compliance and regulatory framework actually developed by the European Union around the notion of “risk” such as in the AI domain or in the environmental domain (see the fragmented and complex EPR framework in the EU) should not lead to greater complexity in the free movement of goods between the EU and Japan, nor should it render the compliance of players in different EU countries geometrically variable, which could lead to a reduction in the willingness to develop digital services within the EU or reduce the willingness of Japanese economic operators to trade in Europe.