



Recommendations to the Leaders of the EU and Japan

Working Party 1

*Trade Relations; Investment and Regulatory Cooperation;
Financial Services; Accounting and Taxation*

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EU-Japan Comprehensive Cooperation Framework on Competitiveness

■ **Key points considered by WP1**

- The start of a new five-year term for the European Commission, with a strong emphasis on "competitiveness," as highlighted by the Draghi Report ("competitiveness" as a shared challenge for both Japan and Europe).
- A shared focus on economic security policies in light of heightened geopolitical tensions and growing awareness of supply chain risks.

■ **WP-1/#01*/EJ to EJ**

Establishment of a comprehensive EU-Japan cooperation framework on competitiveness

- A strong track record of policy cooperation, including the EPA, Green Alliance, Digital Partnership, and Industrial Policy Dialogue.
- Advancing toward more comprehensive policy coordination on competitiveness:
 - Establishing shared principles to enhance competitiveness and economic security.
 - Strengthening collaborative initiatives to address dependencies on specific regions and mitigate geopolitical risks.
 - Expanding cooperation in industrial policy areas, including Japan's participation as an associated country to the EU's Horizon Europe Programme, joint efforts in start-up policies, fostering the defence industry, etc.



WTO / Regulatory Cooperation

■ WP-1/#02*/EJ to EJ

Ambitious multilateral trade agenda for the next WTO Ministerial Conference

- Supporting multilateral free trade systems, such as the WTO, remains a key priority.
- Preventing excessive reliance on protectionism.
- Focuses on:
 - Incorporating the prohibition of tariffs on electronic transmissions into the WTO's legal framework.
 - Progressing discussions on banning data localisation requirements in e-commerce.
 - Accelerating efforts to ensure the proper functioning of the WTO Appellate Body, etc.

■ WP-1/#03*/EJ to EJ

Harmonisation of regulations and standards

- Deepening dialogue on regulations and standards through various channels such as the EPA, Green Alliance, Digital Partnership, and Industrial Policy Dialogue. Intensive cooperation in the new Green and Digital regulatory areas.
- Further extending and deepening the Japan-EU Mutual Recognition Agreement (MRA).



E to J Recommendations

- The EU side continues to encourage the Japanese government to increase the adoption of international standards and to either harmonise regulations or recognise European assessment schemes and approvals.
- Furthermore, EU industry calls for expansion of the use of self-verification



J to E Recommendations

- "Three harmonisations" of the legislation and input from various stakeholders
- Cooperation with Japan and like-minded countries on economic security standards
- Trade Policy
- Achieve climate-neutrality
- Circular economy
- Chemicals Regulation
- Corporate sustainability and responsible business conduct (RBC) policies
- Digital Regulation
- Standards and Certification