



EUROPEAN BUSINESS COUNCIL IN JAPAN
THE EUROPEAN (EU) CHAMBER OF COMMERCE IN JAPAN

ABOUT THE EBC 2018

About the EBC-Introduction

Promoting the interests of European businesses in Japan

- The European Business Council (EBC) is the trade policy arm of 17 European National Chambers of Commerce, Business Associations & other organisations.
- EBC was established in 1972 as an ad hoc committee of chamber presidents.
- The EBC is registered with METI as the European (EU) Chamber of Commerce in Japan
- Through trade policy advocacy, the EBC works to improve the trade and investment environment for European companies in Japan.
- Currently around 350 people from about 200 companies are registered in EBC's 24 committees
- Membership of EBC Committees provides opportunities for information exchange and the chance to influence change.

About the EBC-Why Advocacy Matters

Japan and its institutions have a complex structure with a convoluted web of procedures, regulations and laws. The result is a high level of regulatory and non-regulatory hurdles, presenting European companies with a major deterrent to business development and investment and restricting growth potential. A thought leader on trade policy in Japan, the EBC leverages its reputation as a trusted expert organisation in Japan so that its members' voices are heard in the corridors of power – in both Europe and Japan.

The EBC offer companies an opportunity to:

- Influence issues addressed in political forums like the EU-Japan Summit and the EU-Japan bilateral FTA/EPA
- Share information on the market and business environment with colleagues in your sector
- Liaise with the Japanese Government & regulatory agencies from a neutral position behind the EBC banner
- Promote European businesses in Japan
- Be a proactive part of change

For more information, check <https://www.ebc-jp.com> or contact:

Mr. Francesco Formiconi: Tel: +81-3-3263-6222, Fax: +81-3-3263-6223, E-mail: fformiconi@ebc-jp.com

About the EBC- Benefits

In summary, the EBC:

- Represents the most diverse group of European businesses in Japan
- Has a 46-year track record in addressing business issues with the Japanese Government
- Enables companies to interact with Japanese Government officials
- Keeps members informed on changes in Japan's political, government and economic environment affecting their business sector
- Provides networking opportunities with companies from all sectors from across Europe
- Provides access to Europe-based business organisations

About the EBC-Stakeholders

17 EBC Stakeholders:

- Austrian Business Council
- Belgian-Luxembourg Chamber of Commerce in Japan
- British Chamber of Commerce in Japan
- Czech Chamber of Commerce and Industry in Japan
- Danish Chamber of Commerce in Japan
- Finnish Chamber of Commerce in Japan
- French Chamber of Commerce and Industry in Japan
- German Chamber of Commerce and Industry in Japan
- Greek Chamber of Commerce in Japan
- Icelandic Chamber of Commerce in Japan
- Italian Chamber of Commerce in Japan
- Ireland Japan Chamber of Commerce
- Netherlands Chamber of Commerce in Japan
- Polish Chamber of Commerce and Industry in Japan
- Spanish Institute of Foreign Trade
- Swedish Chamber of Commerce and Industry in Japan
- Swiss Chamber of Commerce and Industry in Japan

About the EBC-Committees

Current 24 Committees:

- Aeronautics, Space, Defence & Security
- Airlines
- Asset Management
- Automobile
- Automotive Components
- Banking
- Construction
- Cosmetics & Quasi-drugs
- Energy
- Food & Agriculture
- Financial Reporting
- Human Resources
- Insurance
- Legal Services
- Liquor
- Logistics & Freight
- Materials
- Medical Equipment & Diagnostics
- Intellectual Property Rights
- Railways
- Retail & Wholesale
- Tax
- Telecommunications Carriers
- Telecommunications Equipment
- (plus link to EFPIA)

About the EBC-Communications

- **EBC WEBSITE**

- <https://www.ebc-jp.com>

- **EUROBIZ JAPAN MAGAZINE**

- EBC's key communication tool – monthly publication

- **OTHER**

- What's New in the Media–Twice a week
- What's New from EBC
- What's On: Chamber Events



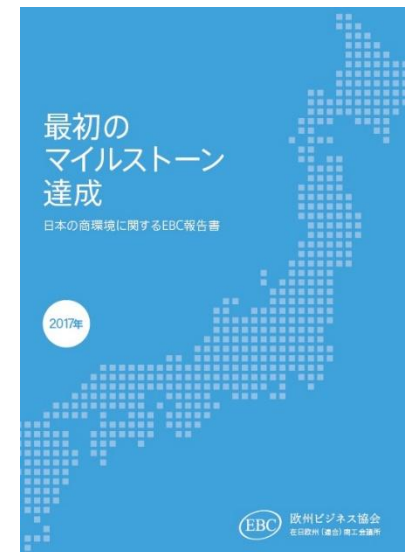
About the EBC-Annual Report

- **THE LATEST EBC REPORT (*White Paper*) ON THE JAPANESE BUSINESS ENVIRONMENT**

Issued in December 2017, conveys the EBC's main messages to relevant players in the Japanese Government and around the world. Japanese version sent to every politician. This edition is entitled "*First Milestone Achieved*"

- **EBC "GOVERNMENT VISITS"**

"Parliament-Government Visits" to give key political & government players the latest EBC Report. Usually conducted in the months following publication of the White Paper



About EBC's Advocacy Activities:

- **EUROPEAN POLITICAL & GOVERNMENT LIAISON :**

Meetings, briefings, provision of materials, participation in events, and **involves visits to the Europe-based entities:**

- Delegation of the European Commission to Japan
- European Commission in Brussels
- European Parliament
- National EU Member State Embassies
- Embassies of Switzerland and Iceland

- **JAPANESE POLITICAL & GOVERNMENT LIAISON :**

Frequent meetings, telephone calls, e-mail correspondence, letters, submission of position papers, participation in hearings, responding to calls for public comment, responding to calls for EBC comment, etc:

- Europe Division, Economic Affairs Bureau, MOFA,
- Europe Division, METI
- Cabinet Office
- International & Technical Divisions of:
METI, MHLW, MIC, MLIT, MoJ, MoF, MoD, MAFF
- Parliamentary Expert Groups
- FSA
- LDP (Upper and Lower Houses)
- DPJ (Upper and Lower Houses)
- Parliamentary Committees



About the EBC-Advocacy

■ THE EJBRT

The EU-Japan Business Roundtable is an annual conference of high-level business leaders from the EU and Japan. The EBC Chairman co-chairs the working party on *Trade Relations, Investment & Regulatory Cooperation, Financial Services, Accounting and Taxation*. To be held next on April 20, 2018.

■ HANDS-ON ADVOCACY

All year long, the secretariat, EBC Executive & EBC Committee Chairmen meet with government officials & politicians as well as Keidanren, Keizaidoyukai, and Tokyo & Osaka Chambers of Commerce, etc., and Japanese industry sector organisations

■ ADVOCACY ON PRIORITY ISSUES

EBC Secretariat lobbies extensively on priority issues - intensive campaign of visits, preparation of letters/position papers, etc. to relevant Japanese authorities. Examples are acceleration of the approval processes for medical devices and food additives, easing of food contact regulations, traceability of lot codes for alcoholic beverages, among many others.

■ MAJOR BILATERAL ADVOCACY ISSUE

EU-Japan FTA/EPA – The EBC submitted a 100-page technical digital compendium of more than 200 prioritised issues in each business sector to the European Commission for use in the FTA/EPA negotiations. The negotiations concluded at the end of 2017 and a vast number of the EBC's issues are included in the agreement.

EBC Input into Policy-Making Bodies

- **EBC INPUT INTO EU-JAPAN FTA**

The EBC's 100-page technical digital compendium of prioritised issues for the EPA negotiations was consistently updated and meetings of technical experts from EBC committees with the EU's negotiators and technical experts were organised on a regular basis. The EBC's focus will shift to monitoring the implementation of the relevant issues and to continue working on all remaining and new issues not included in the agreement.

- **EBC INPUT INTO THE EU-JAPAN SUMMIT**

Every year, the EBC Secretariat prepares comments as input prior to the EU-Japan.

- **OECD COUNTRY REVIEWS**

Every year ,the EBC is asked to give the OECD a briefing on the trade and investment environment in Japan.

EBC Input into Policy-Making Bodies

- **JAPANESE GOVERNMENT AND ORGANISATIONS**

A short snapshot of examples:

- **Keidanren**–Europe Committee and International Affairs Division
- **JETRO** – Various meetings of EBC Chairman with JETRO Chairman and President
- **Keizai Doyukai** – Participation of EBC Chairman in meeting of Europe Committee
- **Various Government/Cabinet Office Hearings** – eg Fair Trade Commission
- **Tokyo Chamber of Commerce** – Liaison for Eurochambres; meeting and briefing of International Section Director on EBC issues
- **Tokyo Government** – Meetings of EBC Chairman with Tokyo Governor

2017 EBC White Paper – First Milestone Achieved

PRODUCTION *(Annual process conducted in August to November period)*

- Committees meet and prioritise issues
- Committee members and/or the EBC Policy Director prepare respective drafts
- Chapter drafts are finalised among committee members
- Chapter drafts edited by Secretariat for content integrity and corrections are made
- Drafts are then edited for expression & clarity by Secretariat & by an external editor
- Final edited version is translated
- Translated version is reviewed by committees and Secretariat
- Final English and Japanese versions approved by the committees are printed

DISTRIBUTION

- EBC Members
- EU Delegation and Member State Ambassadors/Embassies
- Other EU organisations (BusinessEurope, Eurochambres, EFPIA, European politicians, etc.)
- Every Japanese politician
- Key Japanese Government officials
- Japanese organisations (Keidanren, Keizaidoyukai, industry sector organisations, etc.)

CONTENT

27 Chapters providing approximately 200 recommendations by EBC's committees

First Milestone Achieved - Major Themes

- ❑ Mutual recognition of standards, product certifications and marketing authorisations, and adoption of international standards – e.g. Medical equipment, environmental technology, retail, cars, food.
- ❑ Lifting of barriers, such as high costs and unnecessary bureaucracy, preventing or delaying products from reaching the market – e.g. Food tariffs, Japan-only product labelling requirements.
- ❑ Ensuring of fair competition and fair and equal treatment of all companies, domestic and foreign – e.g. Kei car privileges, unfair competitive advantage to JAL through government bail-out.
- ❑ Ensuring fairer and more open competition in services – e.g. In tendering for public procurement contracts, improved network access for foreign telecom carriers.
- ❑ Improving conditions for foreign direct investment – e.g. In banking and asset management sectors by removing requirements unique to Japan.
- ❑ Further enhancing incentives for investment in R&D – e.g. Reimbursement schemes in the healthcare sector that recognise and reward innovation.

EBC - Some Achievements

- The regulation on wholesale liquor licensing was recently modified to facilitate the granting of licenses for cash and carry wholesale distributors thanks to EBC advocacy
- Pyrotechnic safety devices for motor vehicles are now subject to less burdensome testing procedures
- More than 80% of 46 high priority food additives have now been approved – clear roadmap for approving the remainder
- EBC lobbying instrumental in abolishing re-entry permit requirement
- In the new Pharmaceutical Affairs Law, medical devices are treated separately from pharmaceuticals
- Sunflower lecithin is now approved for use in the food sector

EBC - Some Achievements

- Daytime slots at Haneda Airport have now been allocated to European Airlines (Lufthansa, AirFrance/KLM and British Airways)
- Satisfactory progress so far in Japan's adoption of UN Regulations pertaining to the Whole Vehicle Type Approval system in those areas where Japan does not accept a UN certificate as demonstrating compliance with Japan's type approval requirements.
- The European standard 14081-1 for design strength values for structural lumber is now recognized in Japan. CE stamped 2"x4" products can be used in the same way as JAS certified products.
- EBC initiated and continued discussion with the European Commission on a bilateral EU-Japan trade agreement and provided huge input to the negotiations

EBC - Some Achievements

- EBC lobbying was instrumental in the revised Foreign Lawyers law now allowing foreign lawyers (*Gaiben*) to hire Japanese lawyers (*Bengoshi*)
- Similarly, EBC efforts contributed to Foreign lawyers now being allowed to set up branch offices (albeit without *bengoshi*)
- EBC effectively shifted the focus of the Keidanren and Japanese Government to non-tariff issues in discussions on a bilateral agreement with the EU
- EBC lobbying contributed to the introduction of a triangular merger scheme allowing foreign shares to be used as consideration in mergers and acquisitions of Japanese companies by foreign companies

EBC - Some Achievements

- A new immigration category of “Trainee Programme” has been opened up
- The process for determining counterfeits has been simplified in some cases
- Changes have been implemented to the Household Goods Quality Labelling Law, partially harmonising with international standards
- Registration of foreign lawyers in Japan has been simplified, although not yet to a satisfactory level
- A start has been made on opening up the Japanese procurement market for railways

EBC - Some Achievements

- The use of the “Suppliers Self Verification of Conformity” has been expanded within the telecom sector
- There has been clear movement towards remote filing of customs declarations (to be implemented by 2017)
- There has been progress towards increasing the allowable level of fluoride in toothpaste and mouthwash products
- The National Tax Agency now recognises the importance of lot codes on liquor bottles
- Tyres that are registered in either the EU or US are now recognised as equivalent to being registered in the Japanese Tyre Year Book improving market access

EBC - Some Achievements

- Administration of import notifications for cosmetics has been improved
- An EBC appeal at the OTO led to the approval process for low-risk medical diagnostics products being reviewed and shortened
- MHLW has better aligned the Japanese QMS in the medical device sector with the international standards used in the EU
- Article 821 of the new company law – EBC lobbying led to recorded deliberations in parliament, an explanatory resolution attached to the bill, and the issuance of detailed explanatory notifications from the government.
- Items resolved recently in the automobile sector - 76 GHz Radar; Closed Crankcase Ventilation; DRL; TNS and PHP Variants; Ultra-Small Mobility, Rim Marking of Light Alloy Disc Wheels, Definition of Vehicle Type; Seating Space and Head Clearance.