

EBC PRESS RELEASE

European industry in Japan heavily affected by the (re-)entry ban on non-Japanese citizens

The European Business Council in Japan (EBC), in cooperation with the various national European Chambers in Japan, has carried out a survey to understand the current situation of European companies in Japan.

The result is clear. According to the answers, **85% of European companies are negatively affected by the ban**. Mainly affected is the ability to successfully carry out new or existing projects due to management and/or specialists not being able to (re-)enter Japan. **44% of responders expect a loss in revenue solely due to the (re-)entry ban**.

Furthermore, the management of European subsidiaries in Japan cannot travel to the headquarters in Europe causing disruptions to the governance of the companies. Moreover, according to the survey, companies are suffering as leadership and expert positions cannot be filled as non-Japanese personnel cannot enter Japan despite having the proper visas.

In addition, 65% of companies that use Japan as a regional headquarter express problems with management not being able to visit subsidiaries in other countries, eg. South Korea, Taiwan and the Philippines. Unfortunately, the current situation is in direct opposition to Japan's wish for more foreign companies to use Japan as their regional hub.

Michael Mroczek, the EBC President, said at a press conference that *despite the good start of the EU-Japan Economic Partnership Agreement, we are now at risk of losing the momentum due to the (re-)entry ban*.

Further, the EBC has been approached by various European companies concerned that the current travel restrictions are unfairly interfering in proper management of European investments in Japan. This is of concern as under various treaties, such as the Free Trade Agreement between Japan and Switzerland and the Energy Charter Treaty, claims may be filed directly against the Government of Japan when fair and equitable treatment is denied to foreign investors.

Furthermore, the (re-)entry ban of permanent and long-term residents may be in breach Article 12 of the International Covenant on Civil and Political Rights, which clearly states that “[n]o one shall be arbitrarily deprived of the right to enter his own country.”

The EBC again reiterates its requests for Japan to extend the same treatment to non-Japanese residents as is offered to Japanese nationals. This means that Europeans residents, together with other nationals, shall be able to leave and come back to Japan. This is possible in all other G7 countries, except for Japan.

For more detailed information on the survey, please go to this link (<https://ebc-jp.com/wpdata/wp-content/uploads/2020/07/Report-Survey-reentry-ban-17-July-2020.pdf>).

About the EBC:

The European Business Council (EBC) is the trade policy arm of 15 European national chambers of commerce and business associations in Japan. It is also registered with the Ministry of Trade, Economy and Industry as the European (EU) Chamber of Commerce in Japan. Established in 1972, the EBC works to improve the trade and investment environment for European companies in Japan. The EBC currently represents more than 2,500 local European companies and individuals who are members of their national chambers of commerce. Some 300 of these executives participate directly in the EBC's 25 sector-based committees.

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