


Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	1995/2053(COS)	Procedure completed
Europe/Japan relations: the next steps		
Subject 6.40.11 Relations with industrialised countries		
Geographical area Japan		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	RELA External Economic Relations		23/05/1995
		PPE MOORHOUSE James	
	Committee for opinion	Rapporteur for opinion	Appointed
	AFET Foreign Affairs, Security and Defense Policy		06/09/1995
		ELDR DE MELO Eurico	
	ECON Economic and Monetary Affairs, Industrial Policy		19/07/1995
		PSE HENDRICK Mark Phillip	
	ENER Research, Technological Development and Energy		25/06/1996
		PSE FORD Glyn	
Council of the European Union	Council configuration General Affairs	Meeting 1825	Date 23/01/1995
European Commission	Commission DG Trade	Commissioner	

Key events			
23/01/1995	Debate in Council	1825	
08/03/1995	Non-legislative basic document published	COM(1995)0073	Summary
15/05/1995	Committee referral announced in Parliament		
23/07/1997	Vote in committee		Summary
23/07/1997	Committee report tabled for plenary	A4-0259/1997	
17/09/1997	Debate in Parliament		
	Decision by Parliament		Summary

18/09/1997		T4-0450/1997	
18/09/1997	End of procedure in Parliament		
06/10/1997	Final act published in Official Journal		

Technical information

Procedure reference	1995/2053(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	RELA/4/06544

Documentation gateway

Non-legislative basic document		COM(1995)0073	08/03/1995	EC	Summary
Motion for a resolution		B4-0530/1995	02/05/1995	EP	
Committee report tabled for plenary, single reading		A4-0259/1997 OJ C 304 06.10.1997, p. 0007	23/07/1997	EP	
Text adopted by Parliament, single reading		T4-0450/1997 OJ C 304 06.10.1997, p. 0100-0119	18/09/1997	EP	Summary
Follow-up document		SEC(1999)0524	21/04/1999	EC	

Europe/Japan relations: the next steps

OBJECTIVE: the purpose of this communication is to take stock of economic and commercial relations between the European Union and Japan and present a series of proposals to improve the efficiency of Union policy towards Japan, including in the field of cooperation. Finally, it suggests how the Union should develop political relations with Japan. **CONTENT:** past relations between the Union and Japan have been mainly economic and have been informed, on the Community side, by the conviction that unacceptable obstacles are impeding access to the Japanese market. At the same time, Japan's balance of payments surplus is considered to be excessively high (2.5% in 1995 and 1996). It should be possible to redress this real imbalance in economic relations between Japan and the Union through a more targeted strategy giving greater access to the Japanese market, which is why the Commission communication suggests that relations between the Union and Japan should be examined in the light of a new development, i.e. Japan's higher profile on the international scene. The Commission communication chooses the option of advocating stronger political relations both for their intrinsic benefits and in order to counterbalance the American influence. The Commission is convinced that the emergence of a new Japan cannot but be advantageous and will help to achieve the objectives of global peace and security and an open, multilateral, commercial environment. More solid political relations will also impact on bilateral economic relations and help reduce current commercial tensions. The Commission therefore calls for political dialogue between the Union and Japan to be strengthened, mainly by: - identifying specific areas of cooperation in the political sector, - exchanging regular and privileged information on political discussions between the Union and Japan, - establishing regular working contacts between senior civil servants in order to prepare for ministerial meetings, - introducing annual EU/Japan summits alternating between Europe and Japan and setting out a timetable. Several lines of approach are also proposed at economic level, the most important being to: - develop the TAM (exchanges between experts in the European Union and Japan on questions relating to market access), - foster dialogue on deregulation, competition and industrial cooperation, - improve the climate conducive to European investments in Japan and industrial relations between the Union and Japan, - develop ways of redressing the imbalance in scientific knowledge (especially in the context of the sixth research framework programme and information society projects) and fostering cultural contacts and exchanges between intellectuals on both sides. Proposals in this direction should take concrete form, including at budgetary level, as early as 1996, within the limits of the resources available.?

Europe/Japan relations: the next steps

The European Union should support and encourage a greater international role for Japan, argues the Committee, which hopes that in its turn Japan will support the EU's policies in Asia. At the same time the committee calls on Japan to formulate a new far-reaching, multiannual deregulation programme and to create free trade conditions in the country, as the only way of ensuring that European products will have greater access to the Japanese market. These views are expressed in the report adopted by the committee, on the basis of the draft report by Mr MOORHOUSE (EPP, UK), in response to a Commission communication. In the motion for a resolution to be submitted to the plenary in September, the committee acknowledges that Europe's present relationship with Japan includes a political element. It notes, however, that

there is a very large and persistent imbalance between EU investment in Japan and Japanese investment in Europe. The MEPs are concerned that over the past ten years EU direct investment in Japan has remained weak and welcome the expressed intention of the Commission to investigate the causes of this imbalance. The committee emphasises the importance of the ongoing deregulation programme in Japan, although progress has been limited to date. Deregulation will not only help European companies on the Japanese market, but will also improve Japan's economic performance and give Japanese consumers greater choice. A high priority should continue to be attached to strengthening industrial cooperation and cooperation between trade unions, as well as scientific, environmental and cultural cooperation. Finally the committee points to the need for the EU and Japan to cooperate within multilateral economic organisations, in particular the WTO, and calls for the speedy negotiation of a Mutual Recognition Agreement for testing and certification of products; the Union should closely follow US-Japan bilateral initiatives and insist that any market openings be extended on a multilateral basis. ?

Europe/Japan relations: the next steps

In adopting the report by Mr James MOORHOUSE (PPE, UK), Parliament believed that the Union should support and encourage a greater role for Japan on the world stage, hoping that Japan, in turn, would support the Union's policies in Asia. It, therefore, supported the strategy employed by the Union demanding a global, coherent and continuous change of policy from Japan and emphasized how important it was for the Union and its Member States to coordinate their action in this field with the help of the business community. At a political level, it called on the Union and the Member States to work closely with Japan on disarmament and a nuclear test ban. At an economic level, Parliament welcomed the fall in the global trade surplus between Japan and the Union (a fall of 36.2%) but noted that there was a very large and persistent imbalance between European Union investment in Japan and Japanese investment in Europe. It was concerned that, over the past 10 years, direct investment by the European Union had remained low, and it welcomed the announcement by the Commission that a study was to be set up to examine this issue. It also noted that, whereas Japanese investment in the Union had been falling almost continuously since 1990, EU investment in the newly industrialized countries in Asia had been steadily increasing. Parliament underlined, in addition, the importance of the ongoing deregulation programme operated by Japan, although progress in this field had been limited. It believed that this programme should be strengthened and expanded. It also called on Japan to create conditions that would encourage free trade in the country (without using established trade monopolies), since this was the only way to ensure that European products had greater access to the market. It acknowledged the positive effect of the Trade Assessment Mechanism and asked for the implementation of a far-reaching Mutual recognition agreement (MRA) for testing and certification of products. It also pointed to the need for the EU and Japan to cooperate within the WTO, in particular on issues such as competition, investment, environmental protection, etc., and asked that the WTO dispute settlement procedure be followed when appropriate. In addition, Parliament considered that any opening up of the market should occur on a multilateral basis. It was in favour of the structural cooperation agreements in science and technology between the EU and Japan and supported the 'Human Frontiers Programme' set up by Japan (integration of basic research in human biology and brain function with informatics and cybernetics). It asked that the Exchange Fellowship Scheme between the EU and Japan (for young scientists and engineers) be expanded and welcomed the idea of a protocol which would allow European researchers to benefit from the research and logistical facilities in the research centres in Tsukuba. Finally, it called for continued enhancement of industrial, scientific, environmental, and cultural cooperation with Japan as well as cooperation between trade unions, and it regretted the fact that no progress had been made on the 'Europe House' project aimed at promoting the image of the European Union as a cohesive body. ?