

The 5th EU-Japan Industrialists Round Table

Press Release (Tokyo, October 10, 1998)

The 5th EU-Japan Industrialists Round Table took place from the 8th to the 10th of October at the Hotel New Otani.

1. This Round Table is a private conference aimed at promoting industrial cooperation between the European Union and Japan. It is jointly chaired by Viscount Davignon, Chairman of Société Générale de Belgique and Dr. Sekimoto, Chairman of NEC. Dr. Bangemann, Member of the European Commission, and Mr. Arai, Vice Minister of the Ministry of Economy, Trade and Industry (METI), have participated in the meeting on the last day. The Round Table is composed of a total of 26 top executives from major corporations in Japan and Europe. Check [the list of members](#).

At this conference the following issues facing both Japan and the EU were discussed:

(1) The current state of economy and business in Japan and in the EU.

Concerning the Japanese economy, both sides exchanged opinions about the current situation and prospects as well as requirements for Government action. Concerning the EU economy, they discussed the effects of the Euro on the European and World economies including its impact on business development.

(2) Deregulation.

The progress and future plan of the deregulation in Japan have been discussed and assessed. With regard to the deregulation in the EU, views have been exchanged about employment and labor issues. It was agreed to pursue the assessment of the deregulation programme in Japan and EU so as to emphasize its benefit for economic growth and trade as well as for the consumers.

(3) Standard and MRA (Mutual Recognition Agreement).

At the last year's meeting of the Round Table, the participants welcomed the MRA negotiations between the Japanese government and the European Commission recognizing the importance of the MRA to promote EU-Japan trade relations and to reap the full benefit generated by the deregulation measures. This time, the Business Dialogue Round Table took note of the status on the work undertaken with respect to MRA in the telecommunications sector. They welcomed the progress made and gave full support to the further work suggested by the working group. They decided to pursue the business level discussions on specific items so as to facilitate early agreement between the Japanese Government and the European Commission.

2. At this year's meeting, with a view to getting synergy effects, a joint session between the Round Table and the EU-Japan Business Forum was attempted on the 9th of October, which covered following subjects.

(1) Asian Currency Crisis and Asian Economy .

Views were exchanged lively over the current state and prospect of Asian Economy including its impact on business, which was precipitated by the currency crisis.

(2) Corporate Management.

From the viewpoint of how the corporate management should be under the present difficult circumstances, they discussed issues such as corporate governance, disclosure and employment system based on the members' experience as the top management.

3. On the 10th of October, a special session was held focusing on electronic commerce, in the presence of Dr. Bangemann, Member of the European Commission, Mr. Arai, Vice Minister of METI, and some of the Business Forum members as well as relevant Business Dialogue. At the Special Session, Dr. Bangemann, Member of the European Commission introduced the discussion at the "OECD Ministerial Meeting on Electronic Commerce," held in Ottawa just prior to the Round Table Meeting and GBD (Global Business Dialogue). He also stressed the importance of multilateral discussion by the private sector. The Round Table participants agreed that the initiative should be

taken by the private sector to promote electronic commerce and it was agreed to issue a joint statement.

The basic principles of the joint statement are as follows:

- (1) The private sector should lead in the development of electronic commerce and in the establishment of business practices.
- (2) Government should avoid imposing unnecessary regulations or restrictions on electronic commerce. Government actions, when needed, should be clear, transparent, and predictable to the private sector.
- (3) Government should encourage effective self-regulation through codes of conduct, model contracts, guidelines, and enforcement mechanisms developed by the private sector.
- (4) Cooperation and harmonization among all countries, from all regions of the world and all levels of development, will assist in the construction of a seamless environment for electronic commerce.

The next Round Table meeting will be held in the Autumn of next year in Brussels. The Working Groups will continue their activities until then.