

# Resolution on EU-Japan trade relations

2011/2625(RSP) - 11/05/2011 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution on EU-Japan Trade relations.

The resolution was tabled by the EPP, ALDE and ECR groups.

Parliament underlines that it is in favour of a free trade agreement between the EU and Japan but is not satisfied with the **negligible progress** in the High Level Group during the last few years. It considers that Japan must make significant commitments on removing non-tariff barriers and obstacles to access to Japanese public procurement before negotiations are launched. Both the Council and Commission have noted that Japan's capacity to remove regulatory barriers to trade is a precondition for launching negotiations on the EU-Japan FTA. The EU and Japan have generally low tariffs on goods with more than two thirds of the Union's export value to Japan being duty-free and more than one third of Japan's export value to the EU, but despite these low tariffs, bilateral trade volumes between the EU and Japan lag behind the bulk of the EU's trade exchanges with its other main trading partners, mostly because of the **negative effects of Japanese non-tariff barriers (NTBs) on market access opportunities for European businesses**. Members further note that a study in 2009 estimates that the **trade costs associated with non-tariff barriers are higher than the existing tariff levels** and that most of the potential economic gains reside in the removal of those NTB, and also estimates potential increases in EU exports to Japan of EUR 43 billion and EUR 53 for Japanese exports to the EU if tariffs and non-tariff measures are reduced to their fullest possible extent. Accordingly, Parliament considers that, in trade negotiations with Japan, **the Commission should concentrate, as one of its priorities, on removing those barriers and obstacles that are of greatest hindrance to market access for European SMEs**.

The reduction or elimination of Japanese tariffs on ICT products, including their parts and components, would step up competitiveness and generate new high-quality jobs in the EU. Parliament calls, in addition, for intensified mutual cooperation between the EU and Japan in the field of R&D and especially on IPR enforcement to accelerate the sharing of information on patents between the respective patent offices.

It considers that the Commission's level of ambition in respect of the EU-Japan FTA, and especially increasing market access for European businesses, should be complemented by jointly agreed **comprehensive sustainable development commitments**. Furthermore a comprehensive **sustainability and impact assessment** is paramount to an overall assessment of EU-Japan trade relations. Members ask the Commission to present such an assessment in due time, detailing in particular the possible advantages and disadvantages of reinforced trading relations between the EU and Japan for all sectors involved, and in particular for all industrial sectors and those which are more sensitive, such as the automotive, electronics, aviation and machinery sectors.

Lastly, they recommends that **effective bilateral safeguard measures** be included in the design of an EU-Japan FTA to prevent a surge in imports that would cause, or threaten to cause, serious injury to EU and Japanese industry, especially in sensitive sectors such as the automotive, electronics, aviation and machinery industries.