

KAREL DE GUCHT  
MEMBER OF THE EUROPEAN COMMISSION

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Dear Mr. de Buck, 

Thank you for your letter of 25 May regarding our trade relations with Japan.

I recently had the opportunity to inform the Trade Council and the European Parliament on the results of our discussions with Japan. I am pleased to confirm that the scoping exercise has now been completed following the agreement on a very ambitious scoping paper and a satisfactory result for Non-Tariff Barriers and the Roadmap on public procurement in railways and urban transport.

As I explained to the Council and the Parliament, we have now an agreement with Japan on what both sides expect from the negotiations. The scoping paper agreed is the most ambitious ever concluded with our trade partners and fully covers our trade priorities.

With regard to regulatory barriers, we have already found satisfactory solutions for a number of Non-Tariff Barriers (NTBs) raised by the EU industry in the automotive, foodstuff and pharmaceutical sectors.

For a number of other NTBs for which we expect short term delivery, specific results should be achieved in the course of the autumn and spring next year. Clearly a failure by Japan to deliver on these barriers will have a very negative impact on the eventual negotiations. This is the reason why I have included a rendez-vous clause in the negotiating directives, which will allow us to take stock of the progress achieved one year after the start of the negotiations, and to call off the negotiations if Japan fails to deliver on its engagements. In addition, the phasing out of tariffs will take place strictly in parallel to the elimination of NTBs. This applies to all sectors, including the car sector.

As regards the discussions on public procurement in the railways sector, we have agreed that Japan will take effective measures in the context of the negotiations to open up its railway and urban transport market to EU suppliers.

Considering the current and future weight of Asia in the world economy, we have a broad strategy for getting better access to these markets. The negotiation of an FTA with Japan is a key piece in that puzzle. I am confident that I can rely on the continuous support of Business Europe in that endeavour.

Yours sincerely,

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