



## The EU-Japan Centre for Industrial Cooperation

### Overview

(November 2010)

### Mission

- To promote all forms of industrial, trade and investment cooperation between the EU and Japan (Statutes and rules of procedures of the Centre, 2004);
- To contribute to industrial cooperation between EU and Japanese companies (Council decision of 18 May 1992, confirming the consolidation of the Centre);
- To strengthen the technological capabilities and the competitiveness of the European industrial system (Council decision of 18 May 1992, confirming the consolidation of the Centre).

### Organisation

A unique venture between the European Commission and the Japanese Government, the EU-Japan Centre for Industrial Cooperation has become an effective bridge between European and Japanese business people and developed a valuable policy analysis capacity on industrial and other public policies having an impact on business in the EU and Japan. It is a non-profit organisation aimed at improving EU and Japanese companies' competitiveness and cooperation by facilitating exchanges of experience and know-how between EU and Japanese businesses. The EU-Japan Centre has its head office in Tokyo and an office in Brussels. It is headed by two General Managers, Mr. Julien Guerrier and Mr. Hiroshi Tsukamoto, and has a total staff of 30 persons.

### Budget

Approximately 4 million €per year, funded by:

- DG Enterprise and Industry of the European Commission;
- DG Research and Technological Development of the European Commission;
- Ministry of Economy, Trade and Industry of Japan;
- Contributions from EU and Japanese business.

### History

- 15 May **1987**: The Centre is established jointly by the EU and Japan as an instrument mainly aimed at helping the EU redress its trade and investment balance with Japan.
- 18 May **1992**: Council decision confirming the permanent establishment of the Centre.

- **1995-1996:** EU-Japan relations are not characterised by trade frictions anymore, but rather by industrial and economic cooperation. A major shift of the Centre's purpose and structure led to a rebalancing of the Centre's activities, with the establishment of an office in Brussels, with the launch of the Vulcanus programme (a one-year training programme aimed at EU and Japanese engineering and scientific students), which is symmetrical, and with the Secretariat of the EU-Japan Business Round Table being given to the Centre (see section below on the Round Table).
- **2008:** The Centre entered its third decade of operation and the three above-mentioned missions of the Centre remain valid. The various programmes run by the Centre (Vulcanus Programme, management training programmes for senior EU executives) have gradually built up a reservoir of some 2,000 engineers and executives that take today an active part in EU-Japan trade and investment in their respective companies. The World Class Manufacturing Programme for production engineers is more successful than ever, underlining that Japan remains the world leader for manufacturing technologies, and that learning from them contributes to the improvement of EU competitiveness.

However, the EU and Japan are increasingly facing similar challenges, such as global warming, the need for new environmental regulations, an ageing society, slow domestic growth, access to energy and raw materials and competition from emerging countries. The European Commission and METI have therefore required the Centre to develop a new policy analysis and studies function on issues of immediate priority to the EU and the Japanese authorities and to the needs of industry, as expressed in the annual conclusions of the EU-Japan Industrial Policy Dialogue and in the annual recommendations of the EU-Japan Business Round Table.

- **2010:** Launch of J-BILAT, a 3-year project funded by DG RTD of the European Commission, to foster the participation of the Japanese research community in the EU 7<sup>th</sup> Research Framework Programme and to assist in the implementation of the EU-Japan Science and Technology Agreement.
- **2011:** The Centre is expected to join the Enterprise Europe Network, as its first Member in Japan, and to sign a Memorandum of Understanding with the European Cluster Cooperation Platform to formalise its role as helpdesk and information service provider for EU and Japanese clusters seeking to internationalise.

## Activities

### I - Policy Recommendations

- **Policy analysis and studies:** the Centre organises events where EU and Japanese policies in specific areas of joint interest are presented and confronted, so that EU and Japan business people, academics and policy-makers can share best practices and identify areas for future cooperation, with a view to providing feedback to the European Commission and METI. Such issues include:
  - **Energy, Environment and Climate Change:** seminars on international climate change negotiations (with DG Climate Action, Japanese Ministry of Environment, METI), EU renewable energy policy and initiatives (including Member States), EU and Japan initiatives to promote sustainable cities, green building, etc. (with European industry

and METI), emissions trading, eco-innovation, smart grid, CO2 reduction in road transport, role of ICT in reducing CO2 emissions, and clean shipping.

- **Trade and Investment:** seminars on EU-Japan trade & investment relation (with EU Commissioner for Trade, former Vice-President of the European Commission, Chairman of the Nippon Keidanren), impact of financial crisis on trade & investment, EU-China and Japan-China trade relations (with DG Trade and METI), invest in EU innovative regions (with EU Commissioner for Regional Policy).
- **Industrial Policy:** seminars on EU and Japan automotive policy, including initiatives to promote green car technologies (with DG Enterprise, METI, European and Japan Automobile Manufacturers Associations), innovation policy, including innovation for ageing society (with DG Enterprise and METI), SME policies, competition policy (with DG Competition and Japan Fair Trade Commission), consumer protection policy (with EU Commissioner for Consumer Affairs, Consumer Affairs Agency of Japan), food safety policy, impact of REACH, cosmetics policy, CSR policy (with the European Parliament Rapporteur on CSR, DG Enterprise and METI) and international standardisation of electronic goods.

- **EU-Japan Business Round Table (BRT)**

The EU-Japan Business Round Table was created in 1995. Since then, the chief executives of about 50 leading EU and Japanese enterprises meet every year for 'roundtable' discussions.

**Objective:** review the factors affecting all aspects of business cooperation between the EU and Japan and handover policy recommendations to the President of the European Council, the President of the Commission and the Japanese Prime Minister. In 2010, the Business Round Table is focusing on recommendations to public authorities on the future EU-Japan Action Plan, whose negotiation was launched at the 28 April 2010 EU-Japan Summit. Innovation and S&T cooperation between the EU and Japan are also important subjects to be studied this year.

## **II – Services to Business**

- **Training programmes**

- **HRTP** (training programme in Japan for senior executives from EU SMEs): Together with Vulcanus (for graduate and post-graduate students, see below) and ETP (Executive Training Programme for junior executives), HRTP completes the range of training programmes addressing the needs of EU business, by targeting senior executives. These "Human Resources Training Programmes (HRTP)" are shorter programmes (one month) which provide an in-depth insight on the Japanese industrial structure, business practices and management through lectures, field trips and individual company visits.
- Topical missions on **“World Class Manufacturing”** for European executives: an intensive one-week mission in Japan about improvement of productivity, assisting managers and executives from EU companies to acquire a better understanding of key Japanese business practices & manufacturing methods: 'KAIZEN' (incremental improvement), 'JIT' (Just in Time), 'TQC' (Total Quality Control) and 'TQM' (Total Quality Management). Includes visits to some of the world's most advanced factories.

- Training course on “**Distribution and Business Practice**”: a one-week mission in Japan helping European companies to gain a practical understanding of the Japanese distribution system, of how existing distribution chains (from manufacturers to retailers) successfully adjust their strategy to develop segmentation and product differentiation in the Japanese market, of the Japanese way of achieving customer satisfaction, and thus to acquire practical tools useful for building an effective marketing strategy for the Japanese / Asian markets.
- **Vulcanus in Japan** (in-company traineeship for students): a one-year programme including a 4-month intensive Japanese language training (+ lectures on Japanese economy, industry, culture and company visits) and an 8-month traineeship in a Japanese company, for engineering and scientific graduate and post-graduate students. “**Vulcanus in Europe**” is the reverse programme to the EU for Japanese students. The objective of the programme is to build a pool of young talented engineers and scientists able to work both in a Japanese and a European environment.
- **Information Service and Helpdesk (Enterprise Europe Network, EU i):**
  - Information service on the web and helpdesk function for EU and Japanese SMEs as part of the European Commission’s “Enterprise Europe Network” (as from 2011) and the “EU Info Centre” (EU i) network in Japan;
  - Information service on the web and helpdesk function for EU and Japanese regional industrial clusters to help them internationalise;
  - Support to SME missions to Japan in cooperation with EU regional organisations and industrial federations; seminars targeted at European SMEs keen to improve their exports to Japan.

### **III – Research and Development - Innovation**

- **J - BILAT**

The Centre launched in 2010 the 3-year J-BILAT project in order to foster the participation of the Japanese research community in the EU 7<sup>th</sup> Research Framework Programme for research to assist in the implementation of the EU-Japan Science and Technology Agreement. The Centre acts as helpdesk on FP7, supplies information through various channels (website, newsletter) to raise awareness and organises seminars to disseminate the main collaborative schemes of FP7, and supply platform form for networking.

- **EU-Japan Cooperation in R&D and Innovation**

The Centre organises events to facilitate EU-Japan cooperation in R&D and innovation, including seminars to identify areas of future R&D cooperation in specific sectors, seminars to bring together research-driven regional clusters (e.g. EU-Japan seminar on “Regional excellence in innovation: sharing experience across the world” during the European Week of the Regions and Cities); and events to develop human resources for future EU-Japan Cooperation in research and innovation (e.g. Japan Career Fair for European Researchers).