



European Economic and Social Committee

REX/227
EU-Japan Relations

Brussels, 16 February 2007

OPINION
of the
European Economic and Social Committee
on
EU-Japan Relations: The role of Civil Society
(own-initiative opinion)

At its Plenary Session of 17 January 2007, the European Economic and Social Committee decided, under rule 29(2) of its Rules of Procedure, to draw up an own-initiative opinion on

EU-Japan Relations: The role of Civil Society.

By letter dated 6 April 2006, Ms Benita Ferrero-Waldner, Commissioner for External Relations and European Neighbourhood Policy of the European Commission, encouraged such an initiative.

The Section for External Relations, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 24 January 2007. The rapporteur was Ms Päärendson.

At its 433rd plenary session, held on 15-16 February 2007 (meeting of 16 February), the European Economic and Social Committee adopted the following opinion by 112 votes to 3 with 28 abstentions.

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1. Executive Summary and Recommendations

- 1.1 The Committee has been encouraged by the European Commission to examine developments in civil society in Japan and to consider ways in which the European Union (EU) could cooperate with it to further strengthen EU-Japan relations.
- 1.2 The EU and Japan share many common values and interests. There are many areas where cooperation on an official level are established and working well.
- 1.3 Japanese interest in regional cooperation on the model of "functional integration" is growing in importance.
- 1.4 The role of civil society in Japan is of steadily increasing importance although most often it still focuses on local and regional issues.
- 1.5 There are currently relatively few areas of strong contact between the EU and Japanese civil societies although the increasing recognition of shared challenges shows that the time is ripe for more contact.
- 1.6 It will take significant time to establish more and stronger contacts and identifying the best partners will be crucial.
- 1.7 An important initial step could be to hold a meeting to identify common problems and to consider how to start to tackle these.

- 1.8 Appropriate civil society organisations from both partners should routinely be considered for inclusion in relevant seminars and similar events.
- 1.9 Over time a more structured dialogue on the model of a round table could be envisaged.
- 1.10 The two European Institutes (hereinafter EU Centres) in Japan already offer a basis for networking and partnership.
- 1.11 Funding requirements should be reduced by making increasing use of techniques such as video conferences and voice over internet protocol.

2. Introduction

- 2.1 Following growing earlier cooperation, in 2001 the EU and Japan decided to launch a decade of EU-Japan cooperation under the title "Shaping our Common Future"¹. This action plan contained four sections ("objectives"). The final objective (Objective IV) was titled "Bringing together peoples and cultures" and included "developing civil society links and encouraging inter-regional exchanges". Objective III (Coping with Global and Societal Challenges) is also of relevance.
- 2.2 Recent events involving civil society links have been the very successful "Year of people-to-people exchanges" in 2005, the establishment of two EU Centres in Japan² in the Tokyo³ area and in Kansai⁴ and a joint symposium in Brussels in April 2006 to discuss progress made in the "Shaping our common future" action plan so far and to discuss possible changes needed to it to allow for the changing situations in Japan, the EU and elsewhere.
- 2.3 The aim of this opinion is to consider developments in civil society in Japan and to explore ways in which EU civil society, and notably the EESC, could cooperate with it to further strengthen EU relations with Japan⁵.

¹ "Shaping our common future", An Action Plan for EU-Japan Cooperation; European Union-Japan Summit, Brussels, 2001.

² EU Centres are funded by the EU and have the role of bridging the awareness gap between Japan and the EU to allow students in all faculties to learn about the European Union.

³ Participating institutions: Hitotsubashi University, International Christian University, Tokyo University of Foreign Studies and Tsuda College (<http://www.euji-tc.org>).

⁴ Participating institutions: Kobe University, Kwansei Gakuin University and Osaka University (http://euji-kansai.jp/index_en.html).

⁵ See letter from Commissioner Ferrero-Waldner D/06/468 dated 6 April 2006.

- 2.4 "Civil Society" is defined by EESC as "all organisational structures whose members have objectives and responsibilities that are of general interest and who also act as mediators between the public authorities and citizens"⁶.

3. **Background**

- 3.1 Japan is a major player in East Asia, a region of growing importance economically, where regional cooperation is improving fast but also where security concerns are growing. As the East Asian region, including China, becomes more important to the EU, a closer relationship with Japan will provide balance and will include increased cooperation on regional issues⁷.
- 3.2 Japan is also one of the EU's strategic partners. Although Europe and Japan are on opposite sides of the globe, and although both have complex and very distinctive cultures, we share much. Both are major economic entities who wish to play a wider international role. We share much the same fundamental values and share many common interests and concerns. Both are democratic societies. It is in our mutual interest to consolidate and deepen our relationship and our mutual understanding.
- 3.3 In economic terms, Japan is the EU's fifth largest export market at 6.6% and the EU is Japan's second largest export market. Its current GDP growth rate is about 2.7% per annum and its unemployment rate is about 4.5%. Japan provides some 14% of the world's GNP (China has 3.4%) and has an average per capita income of \$32 230 (China has \$780).
- 3.4 In the earlier stages of cooperation the main subjects of common concern were those involving trade and other economic factors, which included significant foreign investment in both directions. Economic reforms are important for both parties to improve competitiveness in a globalised world while sustaining their own social models and having regard to sustainable growth.
- 3.5 There are now many sectors where EU-Japan cooperation is well established. For example, there are standing forums for discussions on industrial policy, science and technology, information technology, employment, social questions, electronic commerce, research, development aid and environmental protection. In 2006 the Japanese social partners showed a growing interest in the practice of corporate social responsibility. Further, the EU-Japan Regulatory Reform Dialogue (established some 12 years ago) is addressing all regulatory issues in a coherent way. Details of some programmes are at Appendix I. Many Directorates General in the European Commission, as well as EU Member States are involved in this dialogue.

⁶ See COM(2005) 290 for a fuller definition.

⁷ There are already a considerable number of regional bodies, some of which include European participation. Asia-Europe Meeting (ASEM) and the Asia-Europe Foundation (ASEF) are important examples. Involvement in such bodies could further increase the value of EU-Japan civil society cooperation.

3.6 There is a gradual increase in Japan of what can be described as "a sense of closeness" with Europe. The more recently joined Member States are, however, still little known there.

4. **Civil society development**

4.1 Japan has, as said above, a very different culture from the EU⁸ and also different social conditions. It is thus no surprise that Japanese civil society organisations are different. The most obvious difference is that until quite recently the state played a rather dominant role in shaping civil society; apart from social partners, organisations had to be approved by the authorities and were then subject to supervision by them.

4.2 This was accepted by the public because the combination of an elite central bureaucracy coupled with major industrial interests (supported by parliamentarians) allowed for quick and effective policy decisions and their implementation; all this assisted economic growth⁹. Under these circumstances the role of civil society in governance was very restricted. Indeed concepts of civil society, governance and accountability were not even in popular vocabularies at the time.

4.3 In the late 1980s the so called "economic bubble" burst; this led to a period of deflation and economic stagnation, only recently overcome. Then, in the 1990s, there were several scandals involving senior bureaucrats which started to undermine the public's confidence in this dominance of the state and major industrial interests. This, and the mishandling of the rescue and recovery work following the "Great Hanshin-Awaji Earthquake" in Kobe in 1995 showed the public the effectiveness (and potential) of some civil society organisations. This led in 1998 to the adoption of a new law on "Not for Profit Organisations" (NPOs) which acknowledged that civil society organisations could play an important role in good governance¹⁰. This law removed many of the barriers to NPO development and removed most of the very burdensome bureaucratic supervision. It was one of the changes that brought less regulation and centralisation into Japanese society and politics.

4.4 Since these events civil society has started to change; organisations are proliferating quite fast with the greatest growth concerning those groups that emphasise their independence from the authorities. The question now being discussed in Japan is how it is possible to use more fully the totality of the assets available to Japanese society. This will lead to an increase in the

⁸ Japanese culture has a very long history and has been much affected by the fact that the country was cut off from the rest of the world for centuries.

⁹ This success led to "output legitimacy", where legitimacy was based on performance in realising its goals, to the detriment of "input legitimacy", based on the democratic participatory process.

¹⁰ From the Japanese point of view the EU also had crises, such as the events leading to the resignation of the Santer Commission, at about the same time which led to rethinking EU governance, leading to a greater involvement of EU civil society in the policy process.

importance and influence of civil society organisations. The democratic participatory process is starting to be better understood and all draft legislation is now available for comment on the internet; however, according to civil society organisations the views of civil society (apart from the social partners) do not often enough influence final decisions.

- 4.5 Discussion on Japanese civil society normally considers them under two main headings. First, there are the Non-Governmental Organisations (NGOs) which primarily provide services overseas for development and humanitarian work. These are largely funded by the Government (Ministry of Foreign Affairs - MOFA); they work in close partnership with the authorities for its Official Development Assistance (ODA) programmes and have regular meetings with the Government to promote close dialogue and collaboration. However, their financial and human resources remain limited.
- 4.6 Then there are NPOs, covering a very wide range of activities; the social partners, trade and professional associations and those active in the environmental, consumer, agriculture, cultural and other sectors are included. These stakeholders will play an increasing role in the dialogue that is beginning to take place within Japanese and foreign-owned companies about their social responsibility, while respecting the voluntary nature of this. Furthermore, organisations in the health sector play a very important role. Funding from the authorities is sometimes available for them. A very significant proportion of these are concerned primarily with finding local and regional solutions for local and regional issues; work is for the benefit of local communities. As a result there are fewer national NPOs.
- 4.7 Youth is also well represented by student and other organisations.

5. **Current contacts between Japanese and EU civil organisations**

- 5.1 While there are numerous and regular contacts between the EU and Japanese authorities (see 3.5 above and Appendices) whose importance is regularly stressed by political leaders from both parties, the links between most civil society organisations are far more limited. However, in some areas there are already strong and active links.

5.2 **Social Partners**

Employers - Nippon Keidanren (Japan Business Federation) is a comprehensive economic organisation born in May 2002 by amalgamation of Keidanren (Japan Federation of Economic Organisations) and Nikkeiren (Japan Federation of Employers' Associations). Its membership of 1,662 is comprised of 1,351 companies, 130 industrial associations, and 47 regional economic organisations (as of 20 June, 2006).

Trade Unions are relatively weak, both in numbers and in resources. About 20% of workers are members of trade unions. The main Trade Union organisation (RENGO¹¹) accounts for about two thirds of this total. RENGO has an office in Brussels. It has access to much information from ETUC and often sends representatives to meetings of labour organisations in Member States (MS).

- 5.3 The EU-Japan Business Dialogue Roundtable (employers) has been meeting annually for the last ten years to discuss ways to improve economic and trade relations and, increasingly, to consider global issues, such as energy. Their recommendations are presented at the annual EU-Japan bilateral summit to political leaders, who are prepared to take them into account. Further, EU and Japanese business organisations have long been in dialogue over a wide range of matters.
- 5.4 In the face of worldwide challenges such as food safety and labelling, EU and Japanese consumer organisations have been meeting for six years now. Other examples of cooperation are the annual dialogues between journalists, citizens' movements, NGOs and environmentalists. And there is also the academic cooperation that already exists between universities, colleges and research institutes and that will be strengthened after the recent establishment of two EU Institutes in Japan. The academic institutions in Japan have particularly close links with each other within Japan and with other such institutions in the EU.
- 5.5 Recognising the need for personal contacts if better understanding is to be developed, EU and Japan agreed that 2005 should be the "Year of People to People Exchange". This was a successful programme with some 1900 events being organised and a follow-up programme is now under discussion. The challenge is to maintain and build on what was achieved.
- 5.6 These current contacts are very useful and show that it is possible to establish lasting contacts where there is a clear background of shared challenges to be faced in the context of a changing world with globalised practices and standards and an increased need to be competitive. These include sustainable development (notably energy security "green purchasing"¹² and natural resources), development aid (where the EU and Japan are the major donors worldwide), ageing populations (with the consequent effects on pensions, health services and social help), immigration, working in multi-ethnic societies, work/family balance and employment challenges. Corporate Social Responsibility is an area where common interests are becoming clearer, as is gender balance. Exchanging views on the above subjects would be helpful.

11 6 500 000 employees are member of RENGO (as of June 2006).

12 "Green purchasing" is the system where public procurement must include a significant percentage of ecologically friendly products.

5.7 EESC has some informal links with the EU Centre in Kansai. These are its only links currently although many EESC members have some experience of working with Japanese organisations.

6. Possible action to build and sustain relations between EU and Japan civil societies

6.1 In dealing with common challenges it is clear that civil society has a significant role to play both within the EU and Japan, in common undertakings and in the relationship between us. Through bilateral discussions and by making their positions clear civil society organisations will contribute to the ongoing political process between EU and Japan. It is clear that there is plenty of scope to do far more towards developing the relevant sections the EU-Japan Action Plan¹³ involving civil society; and that such work can be an important element in adding value to EU-Japan relations.

6.2 The first aim of building contacts between organised civil society in Japan and in the EU must be to know and to understand each other; this will lead to the development of networking. Only then can we start to cooperate properly to add our contributions to the strong existing links between our respective authorities. This will not be a quick process but it would be helpful to seek support from the Commission and from the Japanese authorities for an initial meeting to identify common problems and to discuss the way ahead, including which organisations could most usefully represent both parties¹⁴; focussed work, including joint action, should follow this initial meeting. The participants for this meeting should be representatives of EU and Japanese civil society who could provide a basis for further networking. For the EU, the EESC and the EU level social partners should provide the majority of the delegates.

6.3 The Commission should consider the inclusion of both EU and Japanese civil society organisations (CSOs) at all relevant seminars and similar events; they should also encourage the Japanese authorities to do likewise. Over time this would build up understanding between the partners as well as building a network that can then be used for all sorts of contacts. The identification of such events should be a regular agenda item on meetings between the Commission and their Japanese collocutors.

6.4 The selection of suitable topics for discussions involving CSOs will be crucial. Where meetings at the official level identify subjects that would benefit from the inclusion of CSO input, the Commission and the Japanese authorities should consider tasking the EESC to provide this in conjunction with Japanese counterparts. In such joint meetings the trade unions could, for example, discuss ILO core standards. Initially this work could be put to

¹³ See paragraph 2.1 above.

¹⁴ While some Japanese partners such as the Japanese Center for International Exchange (JCIE) and the EUIJs could help, there will initially also be a need to seek advice from the Japanese authorities.

groups formed on an ad hoc basis; where appropriate setting up small ad hoc advisory groups should be considered¹⁵.

6.5 Recognising the growing importance to Japan of regional cooperation, EU CSOs could also offer their experience in helping States at different stages of development to become more integrated, in accordance with the doctrine of "functional integration". The experience of some of the newer member states in establishing viable civil society organisations and encouraging the authorities to include them in consultation and decision making could offer some examples of interest. The success of the EU in containing and reducing the potential for rivalries and conflict could also offer a useful model that might help in regional security concerns.

6.6 The establishment of the two EU Centres in Japan (EU Centre in Tokyo and EU Centre in Kansai) offer possibilities for networking and for building understanding. For example:

- the EESC could act as a point of contact for assistance and information;
- this could include facilitating the bringing together of those who seek contacts (for a particular purpose) in each other's home area;
- it could also include offering places to each other for appropriate seminars (or other work) both as speakers and as participants;
- the EESC could also offer to speak on EU related subjects in which they are involved; decision-making processes in the EU, the roles of civil society organisations at both EU and national levels, the role of the social partners, the way in which businesses handle the discussion and the implementation phases of EU legislation;
- the EESC could offer regular internships for the EU Centres to bid for.

The EU Centre in Kansai is already considering the possibility of co-organising a series of seminars/workshops focussing on specific issues. In this context food labelling, environmental protection and the ageing society are likely to be early key issues.

6.7 It is also important to note that universities (and similar bodies) are of great importance in Japanese society and offer another route to help in understanding between CSOs. They can also help to involve youth, which will be a key factor in building long-term contacts.

6.8 The EESC should also consider setting up a small contact group to help keep up to date and to offer a point of contact for Japanese partners. As the civil societies come to understand each other better on the longer term, some sort of standing body, on the model of a Round Table, should be considered.

¹⁵ Language will, as elsewhere, cause some problems.

- 6.9 Contact should be maintained with the EU-Japan Joint Parliamentary Committee to ensure that the civil society role and potential is understood and, where appropriate, used to the common benefit.
- 6.10 Funding will, as always, be crucial. However, the costs of such arrangements should not be great and newer techniques, such as video-conferences and Voice over Internet Protocol (VoIP – conference calls), could help keep costs down in many cases, most obviously for contacts between any small ad hoc groups that may be established.

Brussels, 16 February 2007.

The President
of the
European Economic and Social Committee

The Secretary-General
of the
European Economic and Social Committee

Dimitris Dimitriadis

Patrick Venturini

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N.B.: Appendices overleaf.

Appendices: specific programmes between the EU and Japan

The relations between the EU and Japan are based on a structured **political dialogue**:

- an annual Summit between the President of the European Council, the President of the European Commission and Japan's Prime Minister;
- biannual meetings between the EU Troika of Foreign Ministers and the Japanese Minister of Foreign Affairs;
- and biannual meetings between the EU Troika and Japan at the level of political directors (senior officials from the European Commission, EU Member State and Japanese Foreign Ministries).

In the **economic and social fields**, the main activities are concentrated in the EU-Japan Regulatory Reform Dialogue (created in 1995); the EU-Japan Business Dialogue Round Table (created in 1995); the EU-Japan Symposium, focusing on employment and labour market policy (launched in 1991); the EU-Japan Dialogue of Consumer Organisations (launched in 1999).

1) Economy

a) **The EXPROM programme**

Promoting European exports, maximising business opportunities and, crucially, helping European businesses succeed at the early market penetration stage, EXPROM consists of three main pillars: the Executive Training Programme to Japan (ETP Japan), the EU "Gateway to Japan" Export Promotion Programme; and EXPROM Ad-Hoc activities.

Executive Training Programme to Japan

The Executive Training Programme (ETP) to Japan was launched in 1979 to train European managers to the Japanese language and business culture. This programme has been instrumental in making European business managers operational in Japan. The 1000 Alumni of the programme form an effective business network in Japan.

The ETP has been revamped in 2005. It is now a 12-month programme organised in different modules, with intensive courses of business administration and of Japanese language and a three-month internship at a Japanese company. The programme is mainly targeted at European managers in the beginning or middle of their career, who apply with the support of their company.

Gateway to Japan

The initiative Gateway to Japan was launched in 1994 to foster exports from small and medium-sized enterprises (SME) to Japan. This programme allows European SMEs to participate in trade missions

and trade fairs in Japan. About 2 300 enterprises from selected sectors have benefited from the programme. The European Commission has contracted the implementation of the Japan export promotion campaign activities in Europe to Eurochambres. The Campaign is managed at the Member State level through 25 national coordinators, mainly Chambers of Commerce.

The high level of satisfaction with this programme - in terms of exports and employment - has prompted the European Commission to extend the Gateway 3 campaign until 2007 with six events in the areas of healthcare, construction materials, information and communication technology, interior lifestyle and young fashion design.

b) **EU-Japan Centre for Industrial Cooperation**

As a unique venture set up in 1987 between the European Commission and the Japanese Government (METI), the EU-Japan Centre for Industrial Cooperation offers a wide range of focused programmes to those who wish to engage in cooperation between the two sides: training programmes and topical missions for businessmen, and in-company traineeships for European and Japanese students (Vulcanus programme).

For over 15 years, the EU-Japan Centre has been running these training programmes, which gathered more than 1 600 business managers, students and researchers. Furthermore, the EU-Japan Centre offers access to vast sources of business information.

Human Resources Training Programme (HRTP) - Japan Industry Insight

This programme is targeted at European senior managers who work for EU-origin companies. HRTP is organised twice a year with an average duration of four weeks. The course is designed to help participants become thoroughly informed about the actual conditions of Japanese business through practical analysis and research. The focus is on work-floor training in business management or production management.

From 1987 to 2004, 452 EU managers participated in this programme. Since 2003, HRTP is targeted at EU managers who work for Japanese affiliates in the EU.

VULCANUS Programme

This programme, launched in 1996, is targeted at European and Japanese university students doing degrees in science or engineering. Its aim is to establish closer ties between European and Japanese business by offering the opportunity to host a student as a trainee for eight months. During this period students can assist their host company with the development of its activities overseas and offer important cultural insights.

2) Social affairs and employment

Tripartite exchange programmes

Tripartite exchange programmes have formed a central part of EU-Japan cooperation in the employment and social field since 1992. They facilitate exchanges of experience on social and employment policy between the Commission, the European social partners (ETUC and UNICE), the Japanese Ministry of Health, Labour and Welfare, the Japan Institute for Labour Policy and Training and the Japanese social partners (RENGO and NIKKEIREN). The next exchange should be organised in November 2006.

3) Education

EU-Japan Pilot Cooperation in Higher Education

The main purpose of the project is to set up a framework for student mobility at postgraduate level through the creation of a consortium of EU and Japanese higher education institutions. The consortium will develop a joint study programme and allow their students to spend a period of study abroad: EU students will travel to Japan and Japanese students will travel to the EU. The project should bring together a consortium composed of at least three higher education institutions from three different EU Member States and three higher education institutions from Japan. This project is supported by the DG EAC (European Commission) and the Ministry of Education, Culture, Sports, Science and Technology (MEXT) in Japan.
