

DIGITALEUROPE 主催 MOD VIP Dinner 大使スピーチ（2022年2月2日）

Director General Cecilia Bonefeld-Dahl,
Minister Chris Philp,
Distinguished guests,

Thank you very much for the invitation to participate in today's dinner on the eve of the opening of the "Masters of Digital 2022" conference. I am also honored to have this opportunity to share my views and reflections on Japan-EU relations, concerning digital policies in particular.

The digital transition is one of the most important policy pillars for both Japan and the EU, and it will play an indispensable role in deepening our economic ties in the future. Under the leadership of Prime Minister Kishida, the Japanese Government itself will take forward the initiative towards digital transformation. The newly established Digital Agency has recently formulated "Digital Principles" for desirable provisions in laws and regulations in the context of the digital era. This spring, we will formulate a comprehensive plan to revise more than 40 thousand laws and regulations in accordance with these "Digital Principles." We expect a positive effect from reducing red tape that will cost 1.3 trillion yen.

Digital infrastructure is also the key to achieving the digital transition. Japan will build submarine cables as well as optical fiber networks throughout the country. In order to prepare for the surge in data processing with the advent of the full-scale digital age, Japan will disperse large-scale data centers throughout the country. In addition, Japan will promote next-generation networks using optical communication technology that is 100 times faster in speed and reduces electricity consumption to one tenth of its current rate.

These initiatives are just some examples of the policies being taken by the Kishida Administration but ones which clearly demonstrate that digitalization continues to be a top priority for us.

The international dimension is quite important to address in order to maximize the benefits of digital transformation.

It is therefore an immense pleasure to have Minister Philp with us here today and to have a chance to listen to his presentation. As you may know, Japan and the UK are establishing new relations including in the digital field. As part of the new framework for bilateral economic relations after Brexit, our two countries have agreed to the Japan-UK Comprehensive Economic Partnership Agreement, which contains a set of high-level standards concerning electronic commerce. Following this agreement, Japanese businesses have sought concrete projects in the UK. NTT Limited, one of the major Japanese technology service providers, has announced the opening of a new data center as part of an investment plan worth 500 million pound Sterling. Telehouse, a KDDI Group Company, is likewise going to open a new data center soon. I hope many Japanese businesses will follow suit and promote Japan-UK business cooperation.

The eyes of the UK are now on the Asia-Pacific region too. In February 2021, the UK government announced its intention to begin the accession process of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, which envisages free data flow among signatory countries. Furthermore, we are also aware that, last December, the UK and Singapore agreed in principle to a Digital Economy Agreement, which is often said to be the most advanced digital agreement ever. We welcome the UK's interests in the Asia-Pacific region, and I hope that the UK will play a key role in bridging the differences in governance models for data free flow between the two regions.

Speaking of the Asia-Pacific region, under the framework of the so-called Quad set up between Japan, Australia, India, and the United States we have set up a Working Group on Critical and Emerging Technologies. The launch of this Working Group shows the Quad countries' interests in new and advanced technologies. In the Working Group, we have discussed issues relating to digital technologies such as securing semiconductor supply chains and supporting 5G deployment with Open RAN environment. Quad countries have committed to making further efforts so that we can advance critical and emerging technologies governed by shared democratic values and respect for universal human rights.

When looking at Japan-EU relations in this field, we have so many fronts of

cooperation; however, let me focus on three of them today.

The first one is the promotion of data flow.

Japan's guiding principle in its digital policy is Data Free Flow with Trust, the importance of which was acknowledged by international fora many times. Notably thanks to the UK presidency, the G7 community adopted the "Roadmap for cooperation on Data Free Flow with Trust" last year. The global community is now moving to materialize the concept of Data Free Flow with Trust. Furthermore, Japan has already adopted separate adequacy decisions with the EU and the UK, which allow both sides to recognize each other's personal data protection as equivalent in order to allow the transferring of data.

I believe that on this basis, we can further develop our cooperation in promoting free flow of data, especially in the context of the Japan-EU EPA. As agreed at the EPA Joint Committee in February last year, Japan and the EU have been engaging in exploratory talks to reassess whether there is a need for an inclusion of data free flow provisions in the existing EPA. I believe that now the time has come to seek concrete wording in the provisions through formal negotiations between Japan and the EU. I am confident that we can find a common language with our like-minded partner, the EU, to achieve the dual objectives of data free flow and personal data protection. Now the voices of the industry greatly matter, we would like to seek dedicated support from you towards bringing forth the early launch of formal negotiations on free flow of data under the EPA.

The second potential area of cooperation is in semiconductors.

As you all know, semiconductors now play essential roles and are used in almost all IoTs. Semiconductors are the foundation of the digital industry and are key for our future developments in economy and society. Last November, the Japanese government presented its "Action Plan" to implement our own semiconductor strategy. As the Action Plan envisages, we expect cooperation with the EU, for example, in research and development in semiconductors for the next generation. In the current context of semiconductor shortages in the global supply chain, I also believe that the EU should be a natural partner for Japan so that they may jointly contribute to making

the global supply chain more resilient.

We are now looking at the developments of policy in the EU, too. To our understanding, the EU intends to increase its production capacity of semiconductors, based on the upcoming “European Chips Act.” We would highly welcome the “European Chips Act” if it enables us to open the new fronts of cooperation between Japan and the EU.

The third area of cooperation is the proposed “Digital Partnership Agreement.”

In the joint communication of the EU’s Indo-Pacific Strategy, published last September, the EU presented its intention to seek a “Digital Partnership Agreement” in the Indo-Pacific region with several like-minded countries including Japan. Japan highly welcomes this initiative, which could potentially reinforce the existing Japan-EU cooperation in digital fields where we already have a solid basis for further cooperation including through regular policy dialogues and conducting many joint research programs.

Japan and the EU have been discussing potential areas of cooperation under this initiative. Japan envisages semiconductors, Data Free Flow with Trust, artificial intelligence and digital infrastructure such as 5G and data centers as prominent areas of cooperation. I hope that the “Digital Partnership Agreement” will also give positive impetus to the ongoing digital cooperation such as the aforementioned promotion of data flow discussed in the context of the Japan- EU EPA.

Finally, let me emphasize the importance of industry voices for Japan-EU cooperation. With regards to business cooperation between Europe and Japan, there is an initiative created by the EU-Japan Business Round Table. The 23rd Annual Meeting was held with the participation of the Japanese Government and the attendance of Commissioner Thierry Breton in Brussels at the beginning of last November. Moreover, the EU-Japan Centre for Industrial Cooperation, which has presences in both Tokyo and here in Brussels, holds several activities to promote business cooperation between the EU and Japan.

I dare to say that Japan-EU business cooperation will become the foundation of the

bilateral relation. Japan is always delighted to listen to your voices, and we stand ready to work hard for further business cooperation between Japan and the EU.

Thank you for your attention. I wish you all a good and fruitful evening.