

## Message from the New President of JBCE (Mr Tokumasu of Shimadzu)



It is a great honour to have been elected as the 4th President of the Japan Business Council in Europe (JBCE). Since the JBCE was first founded in 1999, it has contributed, and is continuing to contribute, to EU public policy issues in a very positive way under the Presidencies of Mr. Tsuruoka of Canon Europa, Mr. Idei of NEC Europe, and Mr. Yotsu of Hitachi Europe. During this time the number of member companies has increased to more than 60.

### **Lack of Communication**

Until quite recently, Japanese industries did not disclose much about themselves and therefore seemed rather mysterious to most Europeans. They were rather taciturn, did not criticise European policy directly, and yet managed to get by without too many problems. They produced attractive products that were very popular in EU countries. However, back in Japan we received

a lot of criticism concerning the EU laws which were impacting on our daily business in Europe. Thus, in the business sphere there has always been a lack of communication, and therefore a lack of mutual understanding between Japan and Europe. The JBCE is probably the first Japanese association which raises a clear voice in Europe (or even in the world), and affects the EU policy and decision-making processes. Since its establishment, the JBCE has played an important role as a bridge between Europe and Japan, benefiting both sides. Moreover, input from the JBCE is well regarded, especially in the environmental field.

### **'Global Thinking'**

Two years ago I was appointed Managing Director of Shimadzu Europa GmbH, and this is my second period with the company. Prior to this, between 1986 – 1989 I was marketing manager in Europe, which involved a lot of traveling. I also spent 25 years in the overseas division of Shimadzu including a period in Sydney, Australia, and I have a lot of experience in 'global thinking'. Although Shimadzu does not manufacture consumer goods, it has a tradition in science and technology that goes back to 1875, when Genzo Shimadzu Sr. established the company. The creation of the JBCE, of which Shimadzu was one of the four founding members, is an excellent platform to represent the voice of not only well known companies selling consumer goods, but also many others which concentrate on the professional market.

It is my great pleasure to accept the Presidency of the JBCE, and I would like to take an active role in representing members' interests, promoting Japanese business in Europe and contributing to human welfare and environmental protection.

Yasunori Tokumasu, President, Shimadzu Europa.

# Report from the JBCE Secretariat

## The JBCE Annual Action Plan of Fiscal Year (FY)2006 (Results of General Assembly meeting)

The JBCE held its General Assembly meeting in Brussels on 31 May. Representatives of 30 member companies attended, and 16 companies sent their apologies. In total, 46 out of 60 member companies were represented at the meeting.

During the meeting, many managerial items were discussed. Among them, the JBCE Annual Action Plan of Fiscal Year (FY) 2006 was decided. During the fiscal year from 1 April 2006 to 31 March 2007, the JBCE will conduct the following activities.

From the standpoint of Japanese companies operating in Europe, the JBCE intends to continuously contribute to the formulation of EU policy by pursuing the need for a better working environment. For this purpose, it will undertake exchanges of information and discussions regarding European policy and, if appropriate, produce its own position paper and conduct lobbying activities with the parties concerned.

For the outlines of activities regarding each policy area, based on the Committee's activities, please see a description of FY 2006 activities below.

### (1) Environment

The EU's environment policy area is still the most important area for JBCE activity because it is connected to each company's product design policy, and therefore directly affects the global supply chain policy.

- Concerning the proposed Directives on RoHS, the JBCE continues to conduct lobbying activities advocating the smooth implementation at the Member State level. Exemption requests, the so called "put on the market" issue, and RoHS compliance schemes are examples of the JBCE's involvement on the issue.

- The JBCE also continues to discuss REACH and has been conducting strong lobbying focusing on MEPs and representatives from Member States. Moreover, the JBCE will work on the implementation aspect of REACH, with a particular emphasis on articles (RIP3,8) and will be sending JBCE representatives to discuss these matters with the relevant officials.

- The JBCE will also continue to work on "RoHS category 8 & 9 issues" (expanding the scope of the RoHS Regulation to medical, measurement, and control equipment).

- Furthermore, the JBCE will contribute to EuP preparatory studies for products such as air-conditioning systems, personal computers and monitors, television sets, and imaging equipment by coordinating members' interests and sharing information.

### (2) Information Society

The information society policy area is another important area for the JBCE because EU information society policy has unique characteristics, which include privacy concerns, and affects regulations in other developed societies.

The JBCE continuously monitors intellectual property-related issues, including DRM technology and levies on digital equipment, security,

privacy, and E-accessibility. The JBCE also invites distinguished speakers to identify future policy/regulatory items that could have a potential impact on Japanese companies' business in EU.

### (3) Corporate Policy Area

Investment in the EU and trade between the EU and Japan are both very important for the macroeconomies of both regions, as well as for JBCE member companies. Conversely, policy issues related to these areas sometimes become very political (i.e. they can cause institutional conflict between the European Commission and the Member States). The JBCE treats these issues as 'medium term issues' and puts in place innovative solutions to solve these problems.

In order to assist Japanese companies in Europe, the JBCE submits its opinion on EU taxation, company legislation, labour restrictions, etc. to the EU-Japan Business Dialogue Round Table (a high level management meeting between European companies and Japanese companies) and the EU authorities.

### (4) Trade

In the past, the trade policy area was very important because Japanese companies were faced with many antidumping issues. Although there are now fewer issues concerning antidumping, there are new issues, such as the tariff classification issue. The JBCE will continue to widen its coverage to such new areas.

The JBCE discusses, among other issues, tariffs, antidumping, and the supply chain with regard to EU trade policy. Other issues covered include custom classification issues, HS 2007 (Review of harmonized system code on custom classification in 2007), and AOE (a new shipment control rule). In order to provide tangible benefits for Japanese companies, the JBCE invites professionals, such as trade lawyers and WCO officials, to come and speak to the JBCE on the issues concerned.

### (5) Corporate Social Responsibility (CSR)

There is less of a focus on CSR in Europe, but CSR is still important for JBCE member companies because it has a huge impact on their business practices.

The JBCE will continue to focus on monitoring the activities of the European Commission, particularly Communications. At the same time, the JBCE will allocate more resources to ask its members to share experiences in different sectors, while at the same time inviting professionals and European companies to tell of their experiences.

### (6) Standards and Conformity

The JBCE monitors developments on the draft Directive on EuP in cooperation with the Environment Committee. In addition, as the review of the new approach Directives for CE marking is planned for this year, the JBCE will be making a proactive contribution to this issue.

### (7) Consumer Policy

The JBCE monitors this policy area in its entirety. It also discusses items to be analysed by specialists.

**This JBCE FY2006 action plan was approved by all member companies, and financial resources have already been allocated. The JBCE secretariat will put the plan into action very soon.**

## The JBCE Environment Committee's areas of work and lobbying activities during the last year, plus the expected agenda for the year to come

During the last year the JBCE has worked mainly - albeit not exclusively and to different degrees - on three EU environmental policy related subjects: first, the WEEE Directive ("...on waste electrical and electronic equipment") & the ROHS Directive ("...on the restriction of the use of certain hazardous substances in electrical and electronic equipment"); second, the EUP Framework Directive ("...establishing a framework for the setting of eco design requirements for energy-using

products"); and, third, the proposed REACH Regulation ("...concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals ...").

### WEEE & ROHS

WEEE & ROHS related issues have been a core interest of JBCE members and thus have regularly featured on the agendas of the Environment Committee, as well as the specific WEEE & ROHS Working Group, which had its first meeting in October 2005.

On the WEEE side, the Committee and the Working Group have dealt with a series of topics, ranging from the crossed-out wheely-bin mark (including the related standard) to treatment requirements (i.e. Annex II), to questions concerning the scope of the Directive, for example, the interpretation of 'fixed installations' and 'large-scale stationary tools'.

On the ROHS side, the Committee and the Working Group have addressed issues such as the interpretation of 'put on the market', compliance and enforcement, and exemption requests. The very specific subject of the proposed inclusion into the scope of the ROHS Directive of medical devices and equipment, and monitoring and control equipment, together with the question of exemptions, has been handled separately in the Category 8 & 9 working group, which was established as early as 2004.

In view of the facts that, first, the WEEE Directive has by now become an operational issue across EU Member States and, second, that the ROHS compliance deadline of 1 July 2006 is approaching fast, it can be expected that the majority of WEEE & ROHS topics will disappear from the agendas of the Environment Committee and the WEEE & ROHS Working Group over the next few months.

However, the upcoming revision of the WEEE Directive is a new topic that the Committee and the Working Group will have to take into account and address. Additionally, the Category 8 & 9 Working Group will continue its work on exemptions from the scope of ROHS concerning (certain hazardous substances used in) medical devices and equipment, and monitoring and control equipment.

#### EUP

After the Framework Directive entered into force in August 2005, EUP has recently returned to the forefront of the agenda of the Environment Committee. In previous years, the Committee has been actively working on EUP, i.e. during the political decision-making process that resulted in the Framework Directive. Now, EUP will once more be of fundamental interest to JBCE members. Moreover, it is a topic that the newly established EUP Working Group, which had its first meeting in March 2006, has also begun to deal with.

At the core of the work in both the Committee and Working Group over the next 12-18 months will be the so-called 14 preparatory EUP studies, particularly the ones that directly affect JBCE members. Each study focuses on an individual product/equipment category and were launched by the Commission in preparation for its future proposals on pro-

duct specific eco design/EUP implementation measures. The contractors of some of the studies have already started their work, the principal objective of which is to analyse the environmental improvement potential of the products covered by EUP.

The Committee and the Working Group will also continue to deal with the question of how best to ensure JBCE participation in, or, as a minimum, provide useful JBCE input to the multi-stakeholder Eco Design Consultation Forum. This will discuss the results of the EUP preparatory studies, as well as the Commission's views and plans regarding EUP implementation measures and other relevant existing or future voluntary industry initiatives and measures.

#### REACH

REACH has also featured relatively high on the agenda of the Environment Committee, first in relation to the opening part of the political decision-making process (i.e. the first reading), which took place in the second half of 2005, and, secondly, with regard to the Commission-led REACH implementation projects (RIP).

The two main concerns of the Committee during the first reading relate to downstream user company obligations regarding substances in articles (i.e. finished products) and monomers contained in polymers. These concerns and, if necessary, additional ones will shortly be re-visited again during the second reading, which began in the European Parliament Environment Committee in June 2006.

The objective of the RIPs is to ensure efficient implementation of future legislation through the development of guidance documents and IT-tools for industry, the authorities of the Member States, and the new EU agency. The Environment Committee has dealt chiefly with RIP 3.8, which focuses on the issue of substances in articles and has as its aim to develop a guidance document to help producers and importers of articles assess whether or not a substance in an article should be notified and/or registered.

#### Always Open...

Finally, the Environment Committee agenda has always been open to items other than the ones discussed and worked on during the last 12 months, and naturally, this will continue to be the case. JBCE Environment Committee members are therefore encouraged to put forward topics and issues in relation to EU environmental policy-making that currently, or will in future, affect their business operations in the European Union.

## Report from Chairman of Trade Policy Committee

**During the last fiscal year, the Trade Committee organised two seminars involving guest speakers from the WCO (World Customs Organisation) and the JMC (Japan Machinery Center for Trade and Investment).**

**We would like to continue with such activities, where JBCE members are able to exchange views on business-related issues with both the public and private sectors.**

#### World Customs Organization (WCO)

The WCO is a global organisation based in Brussels and consisting of 169 member countries, which co-operate on customs-related issues.

Mr. Mikuriya, Deputy Secretary General of the WTO, gave a presentation on current WTO activities, such as supply chain management, contribution to trade facilitation, capacity building, and the fight against fraud. Ms. Kawanaka, Technical Attaché, spoke about a review of Harmonized Systems, which will be effective as of 2007 (new customs classification codes).

Since the WCO is an organisation consisting of member countries' governmental bodies, and the private sector finds it hard to make direct contacts, this seminar provided an excellent opportunity for JBCE members to take part in an interactive dialogue.

#### JMC: Supply Chain Management

Mr. Hashimoto, General Manager of Trade Promotion and Administration Group of JMC, gave a presentation concerning Global Supply Chain Management, focusing on the issue of customs. After 9/11 security has become one of the top priorities for customs authorities, while simplifying customs procedures has also grown in importance. The United States first took the initiative on this, and the issue has since become global and is currently being discussed by the WCO.

Since the supply chain is essential for industry, this topic was of great interest for JBCE members, and there was a very active discussion.



# JBCE Profile



The Kanji character on the left side means Europe. The colour of the logo was chosen from the national flag of Japan.

## JBCE Mission

The Japan Business Council in Europe was founded in 1999 as the representative organisation for Japanese companies operating in the European Union.

The JBCE's key objective is to contribute to EU public policy issues in a positive way, drawing upon the experience gained in Japan and other countries and utilising the expertise developed in specific fields, such as environmental protection and technological innovation.

The JBCE welcomes the support provided by EU Member States to Japanese investments, and wishes to put forward the views of its members on legislative issues currently under debate and on the public policies issues which will shape the years to come.

The JBCE wishes to become one of the business-based organisations contributing to the achievement of EU goals in areas such as competition, research and development, full employment and environmental protection.

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## JBCE Member Companies

Ajinomoto Europe S.A.S.	NEC Europe Ltd.
Alpine Electronics (Europe) GmbH	NGK Spark Plug Europe GmbH
Canon Europa N.V.	Nippon Express (Deutschland) GmbH
Casio Electronics Co. Ltd.	Nippon Steel Corporation
Citizen Systems Europe GmbH	Nissan Technical Center Europe Ltd.
Daikin Europe N.V.	Noritsu Koki Co., Ltd.
Daiso Co., Ltd.	NSG Europe N.V./S.A.
Epson Europe B.V.	Omron Europe B.V.
Fuji Electric Holdings Co., Ltd.	Panasonic Europe Ltd.
Fuji Photo Film (Europe) GmbH	Pentax GmbH
Fuji Xerox Co., Ltd.	Pioneer Europe N.V.
Fujitsu Ltd.	Ricoh Europe B.V.
Fujitsu General (UK) Co., Ltd.	SANYO Europe Ltd.
Funai Europe GmbH	Sharp Electronics (Europe) GmbH
Hamamatsu Photonics K.K.	Shimadzu Europa GmbH
Hitachi, Ltd.	Shimano Europe Holding B.V.
Horiba, Ltd.	Shiseido International Europe S.A.
Ikegami Electronics (Europe) GmbH	Showa Denko Europe GmbH
JEOL (Europe) B.V.	Sony Europe, Brussels Office
JT International S.A.	Star Micronics Europe Ltd.
Kawasaki Heavy Industries (UK) Ltd.	Sumitomo Chemical Europe S.A./N.V.
Komatsu Europe International N.V.	TDK Electronics Europe GmbH
Konica Minolta Business Solutions Europe GmbH	Teijin Holdings Netherlands B.V.
Kyocera Mita Europe B.V.	The Tokyo Electric Power Company
Kyowa Hakko Europe GmbH	Toshiba of Europe Ltd.
Matsushita Electric Works Ltd.	TOSOH EUROPE B.V.
Mitsubishi Corporation European Headquarters	Victor Company of Japan, Ltd.
Mitsubishi Electric Europe B.V.	Yamaha Music Holding Europe GmbH
Mitsubishi Heavy Industries Europe Ltd.	Yamatate Corporation
Mitsui & Co. Europe Plc.	Yaskawa Electric Europe GmbH
	Yokogawa Europe B.V.

## JBCE Organization

President	Yosunori Tokumasu, President, Shimadzu Europa GmbH
Secretary General	Nobuyuki Hiratsuka, JMC
Vice-Chairmen	Michio Suzuki, Canon Kazuyoshi Maekawa, Fujitsu Ken Abiko, NEC Kenji Fujii, Panasonic Ko Takahashi, Hitachi
Treasurer	Ko Takahashi, Hitachi
Board of Directors	Michio Suzuki, Canon Kazuyoshi Maekawa, Fujitsu Ko Takahashi, Hitachi Kenji Fujii, Panasonic Ken Abiko, NEC Shinichi Ogura, Sharp Kinko Tsuji, Shimadzu K. Roger Vercammen, Sony Masahiro Ogura, Toshiba
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Planning	Kinko Tsuji, Shimadzu
Public Affairs	Ken Abiko, NEC
Consumer Policy	Michio Suzuki, Canon
Corporate Policy	Hideki Yokoyama, JT
Environment	Lars Brückner, NEC
Information Society	Kazuyoshi Maekawa, Fujitsu
Standards & Conformity	Kinko Tsuji, Shimadzu
Trade Policy	Kenji Fujii, Panasonic