



**JBCE TO ENTRENCH ITS POLICY ENGAGEMENT AND
PRESENCE AHEAD OF NEW POLITICAL LANDSCAPE**

JBCE ANNUAL REPORT 2023

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Alistair Dormer
President of JBCE

Foreword

On behalf of Japan Business Council in Europe (JBCE), I would like to warmly extend New Year's wishes for happiness, health and success for 2024, and reflect on the challenges and triumphs of the past year and look forward to upcoming key milestones.

2023 continued to be marked by a tense geopolitical climate: against the backdrop of the continued unprovoked Russian war of aggression in Ukraine, unrest in the Middle East, the impact on policy and political dynamics in the European Union (EU) was significant. In these challenging times, fostering robust relations between the EU and Japan in foreign and trade policy is more crucial than ever, in particular to further collaborate in areas such as new technologies, of paramount interest to achieve key objectives on both sides such as circularity and decarbonisation.

2023 held a particular significance for the EU as a pivotal year leading up to the 2024 European elections. Following the June elections, a new cohort of policymakers (MEPs and Commissioners with their Cabinet members) will arrive in Brussels, aiming to shape priorities for the next five years.

Furthermore, discussions on EU enlargement policies are underway, particularly concerning Ukraine and Moldova, along with considerations for changes to the EU treaty.

Despite numerous challenges, JBCE has and will continue to act as a well-established bridge between the EU and Japan. We have pursued building and expanding our cooperation to maintain momentum and further deepen this mutually beneficial relationship.

Proud to have a strong presence in Brussels, JBCE played a crucial role in enabling and nurturing this bilateral relationship through its participation in 2023 at the 25th EU-Japan Business Roundtable and at the CEATEC – Japan's largest IT and electronics conference and exhibition.

Looking ahead, we stand prepared to monitor changes in the political landscape, providing timely updates and insightful analysis to our members on strategic directions and fostering our role as a reputable entity in the European landscape to facilitate the strong, collaborative relationship between the EU and Japan.

In the meantime, policymakers will concentrate on concluding key files before the electoral campaign begins in April. JBCE will maintain its commitment to actively monitor and engage with policymakers on priority files.

I wish you all a peaceful and successful 2024. I eagerly anticipate our continued partnership in the New Year.

Alistair Dormer

President of JBCE

Overview

WHO WE ARE

Founded in 1999, the Japan Business Council in Europe (JBCE) is a leading European organisation representing the interests of over 100 multinational companies of Japanese parentage active in Europe.

Our members operate across a wide range of sectors, including information and communication technology, electronics, chemicals, automotive, machinery, wholesale trade, precision instruments, pharmaceutical, steel, textiles and glass products.

Building a new era of cooperation between the European Union (EU) and Japan is the core of our activities, which we perform under several committees focusing on: Corporate Sustainability, Digital Innovation, Environment & Energy, Standards and Conformity, and Trade.

OUR MISSION

We seek to:

- Build a bridge between the EU and Japan, and enhance Europe's understanding of Japanese companies and their contribution to the European economy
- Contribute to EU public policy by sharing our members' expertise with decision-makers across sectors
- Promote a favourable and predictable environment in which European and Japanese companies of all sectors can compete for sustainable growth in Europe

OUR PRIORITIES

- We promote open trade and investment
- We encourage a common regulatory framework
- We foster responsible business conduct

JBCE Structure

BOARD OF DIRECTORS

PRESIDENT

Alistair Dormer

Representative Executive Officer,
Executive Vice President and
Executive Officer, Hitachi, Ltd

VICE-CHAIR

Lars Brückner,

Director, NEC Europe Ltd

TREASURER

Katsumi Sugiyama,

Director, Canon Europe Ltd.

SECRETARY GENERAL

Shozo Maeda

JBCE

BOARD MEMBERS

Koji Takagi, Bridgestone

Marco Canton, Fujitsu

Marcus Rieker, Horiba

Kaoru Umehara, Mistui & Co.

Takeo Okuyama, Mitsui Chemicals

Junichi Suzuki, Panasonic

Keiko Nagase-Reimer, Shimadzu

Jun Sato, Toshiba

COMMITTEES

PLANNING

CS

DIGITAL INNOVATION

ENVIRONMENT & ENERGY

STANDARDS & CONFORMITY

TRADE POLICY

Chairs



Yasuo Hirano
Hitachi Europe



Heidi Beers
Teijin Holdings



Marco Canton
Fujitsu



Inna Peda
Sony



Hiroki Motosuna
Mitsubishi
Corporation

Vice-Chairs



Yukako Kinoshita
Panasonic



Lars Brückner
NEC



Regina Döller
Mitsui Chemicals



Kazue Daigo
Canon



Martin Bell
Panasonic

SECRETARIAT



Shozo Maeda
Secretary General



Mikaela Nilsson
Senior Policy Manager



Hibiki Kimura
Policy Manager (CS/
Digital Innovation/ Trade)



Nagisa Kagawa
Policy Manager (CS/
Environment & Energy)



Hiroki Shigemitsu
Policy Manager (Digital
Innovation)



Jonathan Barker
Policy Manager
(Environment & Energy)



Tetsusaburo Miura
Policy Manager
(Environment & Energy)



Masakazu Shimosawa
Policy Manager
(Environment & Energy)



Hideaki Yonekubo
Policy Manager
(Environment & Energy)



Hidetaka Ozawa
Policy Manager
(Standards & Conformity)



Hideaki Asada
Policy Manager (Trade)



Yohei Katakawa
Policy Manager (Trade)



Naomi Ota
Assistant

MEMBERS OF JBCE

ADEKA CORPORATION
 AGC EUROPE S.A.
 AISIN EUROPE S.A.
 AJINOMOTO EUROPE S.A.S.
 ASAHI KASEI EUROPE GMBH
 AZBIL CORPORATION
 BRIDGESTONE EUROPE NV/SA
 BROTHER INDUSTRIES, LTD.
 CANON EUROPE LTD.
 CASIO EUROPE GMBH
 CHINO CORPORATION
 CITIZEN WATCH CO., LTD.
 DAIKIN EUROPE N.V.
 DENSO EUROPE B.V.
 EPSON EUROPE B.V.
 FUJI ELECTRIC EUROPE GMBH
 FUJI EUROPE AFRICA B.V.
 FUJIFILM EUROPE GMBH
 FUJITSU LIMITED
 FUJITSU GENERAL (EURO) GMBH
 HAMAMATSU PHOTONICS K.K.
 HITACHI EUROPE GMBH, BELGIUM BRANCH
 HONDA MOTOR EUROPE LTD, BELGIAN BRANCH
 HORIBA, LTD.
 IDEMITSU CHEMICALS EUROPE GMBH
 ISHIDA.CO.,LTD.
 ITOCHU EUROPE PLC
 IWATANI CORPORATION EUROPE OFFICE
 JAPAN QUALITY ASSURANCE ORGANISATION
 / JQA EURO OFFICE
 JEOL LTD
 JT INTERNATIONAL HOLDING B.V.
 JVC KENWOOD CORPORATION
 JX NIPPON MINING AND METALS CORPORATION
 KAWASAKI HEAVY INDUSTRIES, LTD
 KANEKA EUROPE HOLDING COMPANY NV
 KEYENCE CORPORATION
 KOBELCO ECO-SOLUTIONS CO., LTD.
 KOMATSU EUROPE INTERNATIONAL N.V.
 KONICA MINOLTA BUSINESS SOLUTIONS EUROPE GMBH
 KUBOTA HOLDINGS EUROPE B.V.
 KURARAY CO., LTD.
 KUREHA CORPORATION
 KYOCERA DOCUMENT SOLUTIONS EUROPE B.V.
 KYOWA HAKKO EUROPE GMBH
 MARUBENI EUROPE PLC
 MARUBENI-ITOCHU STEEL EUROPE GMBH
 MAZDA MOTOR EUROPE GMBH
 MITSUBISHI CHEMICAL HOLDINGS EUROPE GMBH
 MITSUBISHI CORPORATION, BRUSSELS OFFICE
 MITSUBISHI ELECTRIC EUROPE B.V.
 MITSUBISHI HEAVY INDUSTRIES FRANCE S.A.S.
 MITSUBISHI MATERIALS CORPORATION
 MITSUBISHI MOTORS EUROPE B.V.
 MITSUI & CO. BENELUX S. A./N. V.
 MITSUI CHEMICALS, INC.
 MIZUHO BANK, LTD.
 MURATA ELECTRONICS EUROPE B.V.
 NAGASE (EUROPA), GMBH

NEC EUROPE LTD.
 NEOS COMPANY LTD.
 NGK BERYLCO FRANCE
 NICHIA CORPORATION
 NIKON PRECISION EUROPE
 NIPPON SHEET GLASS CO., LTD.
 NIPPON STEEL EUROPE GMBH
 NISSAN MOTOR MANUFACTURING
 (UK) LTD., BELGIAN BRANCH
 NITTO DENKO CORPORATION
 OLYMPUS CORPORATION
 OMRON EUROPE B.V.
 ORIX CORPORATION
 PANASONIC EUROPE B.V.
 PIONEER EUROPE N.V.
 RESONAC EUROPE GMBH
 RICOH EUROPE PLC
 SCAS EUROPE S.A./N.V.
 SCREEN HOLDINGS CO., LTD.
 SEKISUI CHEMICAL GMBH
 SHIMADZU EUROPA GMBH
 SHIMANO EUROPE B.V.
 SONY EUROPE B.V.
 SUBARU CORPORATION
 SUMITOMO BENELUX S.A./N.V.
 SUMITOMO CHEMICAL EUROPE S.A./N.V.
 SUMITOMO MITSUI BANKING CORPORATION
 SUMITOMO RUBBER INDUSTRIES, LTD.
 TAYCA CORPORATION
 TDK EUROPE GMBH
 TEIJIN HOLDINGS EUROPE B.V.
 TOKIO MARINE EUROPE S.A.
 TOKYO ELECTRON LIMITED
 TORAY INDUSTRIES EUROPE GMBH
 TOSHIBA EUROPE LTD.
 TOSOH EUROPE B.V.
 TOTO LTD.
 TOYODA GOSEI CO., LTD.
 TOYOTA MOTOR EUROPE NV/SA
 TOYOTA TSUSHO EUROPE S.A.
 YAMAHA MUSIC EUROPE GMBH
 YANMAR EUROPE B.V.
 YASKAWA EUROPE GMBH
 YOKOGAWA EUROPE B.V.
 ZEON CORPORATION

In 2023, JBCE welcomed the following 9 new members:

- **ITOCHU EUROPE PLC** (1st January 2023)
- **MURATA ELECTRONICS EUROPE B.V.** (1st May 2023)
- **AJINOMOTO EUROPE S.A.S.** (1st June 2023)
- **TOYODA GOSEI CO., LTD.** (1st June 2023)
- **TAYCA CORPORATION** (1st June 2023)
- **KUREHA CORPORATION** (1st July 2023)
- **TOYOTA TSUSHO EUROPE S.A.** (1st July 2023)
- **TOKIO MARINE EUROPE S.A.** (1st October 2023)
- **MAZDA MOTOR EUROPE GMBH** (1st November 2023)

THE EUROPEAN UNION AND JAPAN (2022)

EU-JAPAN TRADE RELATIONS (2022)

EU27 EXPORTS TO JAPAN

€ 71.6 BILLION

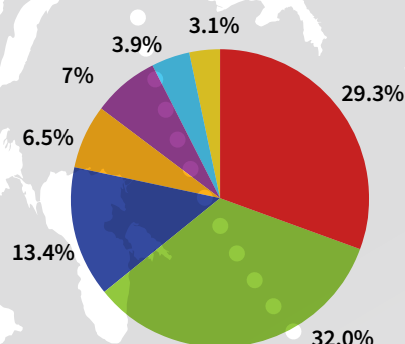
(2.9 % of total export of the EU)

EU27 IMPORTS FROM JAPAN

€ 69.8 BILLION

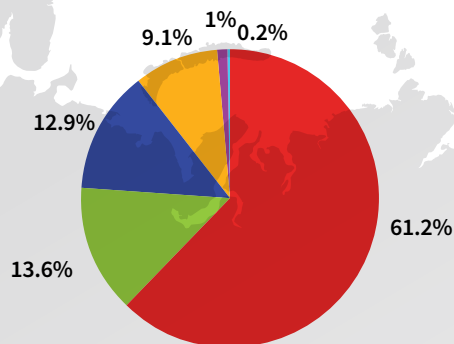
(2.9 % of total import of the EU)

EU27 EXPORTS TO JAPAN PER SECTOR IN %



source: EU exports to Japan

EU27 IMPORTS FROM JAPAN PER SECTOR IN %



source: Imports from Japan

- Machinery & Transport equipment
- Chemicals & related products
- Misc. Manufactured Products
- Manufactured goods classified chiefly by material
- Food and live animals
- Beverages & Tobacco
- Crude materials, inedible, except fuels
- Others

EU = JAPAN'S 3RD TRADE PARTNER

JAPAN = EU'S 7TH TRADE PARTNER

Source: EU, Trade in goods with Japan

JAPAN'S INVESTMENT IN EU (2022)

EMPLOYEES OF JAPANESE OVERSEAS AFFILIATES IN THE EU

411,398

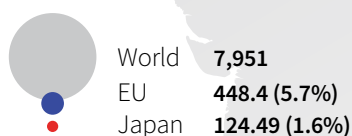
Source: Statistics Bureau of Japan

EU INWARD FDI STOCK FROM JP

€27,069,241,500 (€27.07 BILLION)

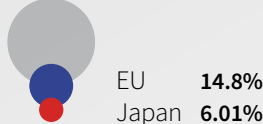
Source: JETRO

POPULATION (MILLIONS)



Source: Population and population change statistic

SHARE OF WORLD GDP



Source: EU in the World

EU & JAPAN – KEY TRADE FIGURES

Japan is the EU's second-biggest trading partner in Asia after China, and the seventh largest partner for EU exports and imports of goods.

EU-Japan Agreement marks fourth anniversary

The EU-Japan Economic Partnership Agreement (EPA) entered into force on 1st February 2019 in order to remove tariffs and other trade barriers. It also serves as a platform for cooperation to prevent obstacles to trade.

"The Joint Committee (under the EU-Japan Economic Partnership Agreement) acknowledged the key role of the EPA in fostering bilateral trade flows and making them resilient after quickly catching up to pre-pandemic levels in 2021 (€124 billion), in 2022 bilateral trade flows increased by 13.4% to €140.6 billion."

Source: EU-Japan trade surges 13% after catching up to pre-pandemic levels

KEY EVENTS IN EU-JAPAN RELATIONSHIP (2023)

4th EU-Japan Joint Dialogue with Civil Society

On 3rd March 2023, Japanese and European civil society met for an **online joint dialogue to discuss trade, sustainable development, and the environment**, including due diligence, corporate social responsibility initiatives aimed at preventing violations of human and labour rights, carbon prices and the necessity of having a social dialogue to promote a green and just transition.

Source: [EU-Japan joint dialogue with civil society](#)

EU and Japan strengthen digital trade cooperation and economic security

On 27th June 2023, the EU and Japan elevated their **collaboration on economic security during the third High-Level Economic Dialogue (HLED)**, expanding its scope. An additional key outcome was the finalization of the EU-Japan Digital Trade Principles—an instrumental framework shaping bilateral trade and investment. These principles establish a shared understanding on critical aspects of digital trade and a joint commitment to fostering an open digital economy, free from unwarranted barriers to international trade. Aligned with international standards such as the G7 Digital Trade Principles and WTO e-commerce negotiations, the non-binding Digital Trade Principles cover data governance, digital trade facilitation, and the building of trust for both consumers and businesses. The Dialogue also emphasized the strategic importance of cooperation amid the current geopolitical landscape, highlighting the need for joint efforts on economic security and the establishment of resilient supply chains in strategic sectors. Furthermore, both parties explored avenues for reinforcing bilateral cooperation through the Joint Statement Initiative (JSI) on e-commerce.

“At today’s High Level Economic Dialogue, we further strengthened our partnership with Japan, with whom we share values and strategic goals. We agreed to coordinate further on economic security, supply chain resilience and WTO reform. We concluded EU-Japan Digital Trade Principles and progressed negotiations on data flows.”

Valdis Dombrovskis, Executive Vice-President and Commissioner for Trade

Source: [EU and Japan strengthen digital trade cooperation and economic security](#)

1st EU-Japan Digital Partnership Council

On 3rd-4th July 2023, the EU and Japan held their **first Digital Partnership Council in Tokyo, Japan**. Representatives signed a Memorandum of Cooperation to support secure, resilient, and sustainable submarine connectivity. This collaboration aims to enhance connectivity via Arctic submarine cables between the EU and Japan, potentially expanding to Southeast Asia and the wider Pacific region. Additionally, a strategic alliance on semiconductors was formalized, paving the way for joint research, an early warning mechanism for supply chain disruptions, and collaboration on advanced skills. Beyond these two Memoranda of Cooperation, **the EU and Japan agreed on enhancing cooperation in a wide range of topics of common interest such as artificial intelligence (AI), including generative AI; cooperation on quantum and high-performance computing, including reciprocal access for researchers to their supercomputers.** European and Japanese co-chairs of the Digital Partnership Council intend to meet again in 2024 in Brussels, to review progress and take further steps to deepen the Partnership.

“Economic security is a common concern for Japan and the EU. We share similar dependencies, and we both need to de-risk our supply chains. One of our objectives is to reduce overreliance for products that are vital for our economies, like critical raw materials and semiconductors on a handful of suppliers – many of them based in China.

Ursula von der Leyen, President of the European Commission

Source: 1st EU-Japan Digital Partnership Council

The European Commission and JOGMEC enhanced global cooperation in critical raw materials supply chains

On 6th July 2023, the European Commission's Directorate-General for Internal Market, Industry, Entrepreneurship, and SMEs (DG GROW), in collaboration with the Japan Organization for Metals and Energy Security (JOGMEC), formalized a partnership by signing an **‘Administrative Arrangement on Cooperation in Critical Raw Materials Supply Chains’** in Brussels, Belgium. This momentous agreement, occurring on the occasion of JOGMEC's President Tetsuhiro Hosono visiting Brussels and in anticipation of the EU-Japan Summit, underscores the EU's commitment to reinforcing its global engagement with dependable partners. Aligned with the objectives of the Critical Raw Materials Act proposed by the European Commission, the agreement is part of the EU's objective to strengthen its global engagement with reliable partners at multilateral level and through mutually beneficial partnerships.

Source: European Commission and JOGMEC enhanced global cooperation in critical raw materials supply chains

29th Japan-EU summit

On 13th July 2023, at the 29th EU-Japan summit in Brussels, the President of the European Commission, Ursula von der Leyen, and the President of the European Council, Charles Michel, met with Japanese Prime Minister Fumio Kishida, expressing their satisfaction with progress in bilateral relations. European and Japanese leaders emphasized the interconnectedness of their respective regional security, jointly condemned Russia's aggression, affirmed ongoing support for Ukraine, and strongly opposed North Korea's continued development of nuclear and ballistic missiles in violation of UN resolutions. Acknowledging China's importance, they committed to fostering constructive relations with Beijing. In terms of security, leaders from both sides committed to enhancing their security partnership, reinforcing economic resilience, and accelerating collaboration on digital transformation.

“Japan is one of the EU's staunchest allies, and Japan is our closest partner in the Indo-Pacific region. Today, we agreed to work for greater security and prosperity for our people and to generate more opportunities for our businesses.”

Charles Michel, President of the European Council

Source: 29th EU-Japan Summit

EU and Japan reached historic deal on cross-border data flows

During the fourth EU-Japan High-Level Economic Dialogue, held on **2^{8th} October 2023 in Osaka**, the **EU and Japan agreed to streamline online business operations**. The deal aims to simplify, reduce costs, and enhance efficiency for businesses operating across borders. By establishing common rules, the agreement eliminates constraints on data transfers between the EU and Japan, encompassing the removal of data localisation requirements for businesses in both regions. Notably, the agreement allows authorities to intervene in cybersecurity or personal data protection matters. Upon ratification, these provisions will be incorporated into the EU-Japan Economic Partnership Agreement (EPA).

“This deal marks a major step forward in terms of boosting the growth of the digital economy. Data is a vital cog of today’s businesses and supply chains. It is the lifeline of many sectors, enabling them to thrive and bring our economies into the digital era. Today, we are setting high standards for the future development of our economies and societies.”

Valdis Dombrovskis, Executive Vice-President and Commissioner for Trade.

Source: [EU and Japan reached historic deal on cross-border data flows](#)

CORPORATE SUSTAINABILITY



CORPORATE SUSTAINABILITY DUE DILIGENCE DIRECTIVE (CSDDD)

Background

This proposal aims to foster sustainable and responsible corporate behaviour and to anchor human rights and environmental considerations in companies' operations and corporate governance.

The new rules will ensure that businesses address adverse impacts of their actions, including in their value chains inside and outside Europe.

The controversial points of the directive are:

- Lack of clarity of the requirements
- International alignment
- Risk-based approach
- Scope of due diligence and liability

JBCE's key messages in 2023

JBCE's overall position on this proposal was that due diligence should not simply become an administrative "box-ticking" exercise, and in pursuit of this, JBCE's main points of concern were the following:

1. **Requirements need to be implementable** and bring a **high level of legal certainty** for companies:
 - More clarity regarding key concepts and definition
 - Ensuring the alignment with international standards such as UNGPs and OECD MNE Guidelines
 - Avoiding legal fragmentation at Member State level
2. **Legal certainty** must be **guaranteed by proportionality, clarity, and preciseness of civil liability provisions**:
 - Civil liability should be defined by the impacts made by companies ("cause and contribution" concept defined by the international standard) and not by the relationship in the value chain.
 - Recognise that the relationship throughout the global supply chain is diverse and, in some cases, companies have limited leverage in their value chain.
 - Risk-based approach needs to be introduced.
3. Ensure **meaningful due diligence processes**:
 - Sufficient preparation and time to be equipped and resourced to comply with the new requirements in a meaningful way.
 - Climate change combating plan and the requirements related to corporate governance should be out of the scope of the CSDDD as they are already regulated in other legislations.
 - Provide guidelines for companies to implement the requirements.

Timeline

October 2021

23 February 2022
European Commission published its **legislative proposal**

30 November 2022

Council adopted its **general approach**

1 June 2023

European Parliament adopted its **position**

8 June 2023

Co-legislators started trilogue negotiations

14 December 2023

Co-legislators reached an agreement

January (TBC)

Co-legislators' formal approval

FORCED LABOUR PRODUCT BAN (FLPB)

Background

The Forced Labour Products Ban (FLPB) Regulation prohibits products made from forced labour on the EU market.

The proposal covers all products without targeting specific companies or industries:

- Products made in the EU for domestic consumption and exports
- Imported goods

The proposal builds on internationally agreed definitions and standards and underlines the importance of close cooperation with global partners.

National authorities will be empowered to withdraw from the EU market products made from forced labour, following an investigation.

EU customs authorities will identify and stop products made from forced labour at EU borders.

JBCE's key messages in 2023

In the context of this FLPB proposal, JBCE insisted on the following elements:

- 1. High level of legal certainty for companies to be able to properly comply with the requirements and to avoid unnecessary red tape in daily business operations:**
 - Additional definitions of terms;
 - Issue timely guidelines for companies to properly address the issues.
- 2. Banning the products manufactured from forced labour does not itself solve the root-cause:**
 - JBCE encourages the EU to engage in those markets to eliminate forced labour through dialogues between States;
 - Providing capacity building for both companies and competent authorities would be valuable.
- 3. Companies cannot be solely responsible for addressing the issue and the involvement of governments is essential:**
 - There should be a clear repartition of responsibilities between the companies' role and the states' duty to protect human rights under UNGP;
 - Additional guidelines for state-sponsored forced labour and additional guidance in areas prevalent to conflict are needed.
- 4. The EU should take into consideration the industry's efforts through its due diligence practices before enforcing the regulation:**
 - Respect for the companies' risk-based approach should be a key element.
- 5. The EU should avoid fragmentation in the enforcement which will be carried out by each member state as well as other EU legislations, such as CSDDD.**
- 6. Proportionate requirements for companies:**
 - Sufficient time for companies to properly react to the request should be granted;
 - Recognition that, in some case, companies have limited leverage to end forced labour in supply chains on their own;
 - Penalties need to be reasonable and proportionate to the size of the relevant business.

Timeline

14 September 2022

European Commission published its **legislative proposal**

19 September – 30 November 2022

Feedback period on the proposal

26 October 2023

European Parliament adopted its **position**

Q1 2024 (TBC)

Council to adopt its general approach

CORPORATE SUSTAINABILITY REPORTING DIRECTIVE (CSRD)

Background

The CSRD aims to **improve the flow of sustainability information in the corporate world**. It will make sustainability reporting by companies more consistent, so that financial firms, investors, and the broader public can use comparable and reliable sustainability information.

The CSRD **extends the EU's sustainability reporting requirements** to all large companies, all listed companies as well as third country companies.

The reporting standards will be developed as **delegated acts** under the CSRD. They will define **harmonised reporting requirements** in the EU to increase the comparability of sustainability information. The first set of European Sustainability Reporting Standards (ESRS) were published in the Official Journal of the EU on 22 December 2023.

The **European Financial Reporting Advisory Group (EFRAG)** will be responsible for drafting the European standards, based on technical advice from several European agencies, and guidance documents for companies

JBCE's key messages in 2023

JBCE believed that corporate sustainability reporting is a communication tool of company's value creation process between the company and its stakeholders, as well as an internal management tool which enables companies to develop and evaluate their long-term business model and strategy.

Therefore, it was our position that the sustainability reporting should never become a box-ticking exercise used by companies solely as a compliance tool. On the other hand, the sustainability reporting standards must not impose excessive administrative burdens on companies, as this would hamper the broader efforts in creating and realising the innovations essential for the achievement of the European Green Deal.

JBCE therefore pushed for the development of sustainability reporting standards which take into account a reasonable balance between flexibility of companies to communicate their corporate values, and comparability of sustainability information as well as alignment with the internationally recognised standards and frameworks. Our key points were the following:

- 1. Interoperability with existing and upcoming EU legislations and international frameworks:** Ensuring the alignment with ISSB requirements.
- 2. Overly detailed and granular requirements would create a disproportionate burden:** The scope of the value chain should be proportionate and relevant to the scale and complexity of the activities and the capacities and characteristics of undertakings in value chains. In addition, the reporting standards must ensure transparency, while avoiding breaching confidentiality or divulging commercially sensitive information.
- 3. Necessity of prioritisation and phase-in approach:** to make reporting more effective and more reliable, we strongly supported the prioritisation and phase-in approach, e.g., start with only climate of ESRS, where ISSB is developing the global baseline approach.
- 4. Avoid inconsistency with other legislation:** Reporting requirements on sustainability due diligence should ensure consistency with CSDDD requirements.

Timeline

- 18 February 2022**
Council adopted its **general approach**
- 10 November 2022**
European Parliament adopted its **position**
- 15 November 2022**
EFRAG approved the first set of the draft ESRS
- 16 December 2022**
Publication of **CSRD** in the OJEU
- 31 July 2023**
– European Commissions adopted **Delegated Act** on ESRS (Annex I & Annex II)
- 21 October 2023**
End of the scrutiny period by EP & Council
- 22 December 2023**
First set of ESRS published in OJEU
- Q1 2024**
Official postponement of sector-specific standards and standards for non-EU companies from 2024 to 2026

EU TAXONOMY

Background

The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities. It will help the EU scale up its sustainable investment and implement the European Green Deal by providing companies, investors, and policymakers with appropriate definitions of the environmentally sustainable economic activities.

Hence, it will protect private investors from greenwashing, help companies become more climate-friendly, mitigate market fragmentation, and help shift investments where they are most needed.

The **6 environmental objectives** are:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Under the Taxonomy Regulation, the Commission must come up with the actual list of environmentally sustainable activities by defining **technical screening criteria for each environmental objective through delegated acts**.

JBCE's key messages in 2023

JBCE was supportive of the overall objectives of sustainable finance and the EU Taxonomy. Moreover, JBCE believed that an **open and international collaboration should be ensured** to facilitate a global uptake of the standards and a common shift towards sustainable finance practices.

Sustainable finance should be mainstreamed internationally by developing a **global approach and aligning EU rules with international initiatives**. This would also facilitate the exchange of diverse best practices and guarantee that the classification does not undermine European competitiveness. In turn, this would create Taxonomy which is increasingly applicable across borders and throughout the value chain.

Our **recommendations on the Delegated Act on the 4 remaining environmental objectives** ("Taxo4") were the following:

- **Open governance:** Promote a transparent and open approach to the governance of the Taxonomy which would help create Technical Screening Criteria (TSC) accepted by the market.
- **Clarity of TSC:** JBCE strongly urged the Commission to develop a practical navigation tool to support industries in implementation, to avoid vague expressions, and to clarify how to classify economic activities that fall under several sections.
- **Level playing field:** Set the consistent and proportionated level of ambition of the TSC among economic activities to prevent unequal access to finance.

Timeline

- **18 June 2020**
Taxonomy
published in OJEU
- **9 December 2021**
First **EU Taxonomy Climate Delegated Act**
published in OJEU
- **15 July 2022**
Complementary Climate Delegated Act
published in OJEU
- **27 June 2023**
European Commission **adopted** Non-Climate Delegated Regulation (Taxo4) & Delegated Regulation amending Climate Delegated Regulation
- **21 November 2023**
Taxo4 & Delegated Regulation amending Climate Delegated Regulation published in OJEU

DIGITAL INNOVATION



ARTIFICIAL INTELLIGENCE ACT (AIA)

Background

The goal of the AIA is to **foster the development and uptake of safe and trustworthy AI** in both the private and public sectors.

The proposal follows a **risk-based approach** and notably aims to establish definitions, address risks created by AI applications, establish a governance structure and enforcement mechanisms, foster industry codes of conduct, and introduce penalties for non-compliance.

It introduces **harmonised rules for the EU**, notably on unacceptable AI practices, like social scoring, requirements for high-risk AI systems, transparency requirements for limited-risk AI systems, and rules for monitoring and surveillance.

The provisional agreement reached on 8 December 2023 is a significant achievement. However, there are still several details that need to be finalised before the AI Act can become law. The formal adoption of the Act is expected to take place in the first half of 2024. Although we have some concerns, JBCE welcomes the final text that has been reached. We look forward to the European Commission and Member States providing guidelines and assistance for industry compliance.

AIA lays down the following:

- **Harmonised risk-based approach**
- **Unacceptable risk** (e.g. remote biometric identification systems for the purpose of law enforcement)
- **High-risk** (legal requirements are set for this type of AI applications)
- **Low-risk** (free uses are allowed)
- **Governance** (national competent authorities)
- **Market monitoring and surveillance** (the EC will monitor)

JBCE's key messages in 2023

JBCE was concerned that the AI Act's requirements would be excessively strict while the scope of prohibited and high-risk AI would need to be further clarified. The potential stifling of innovation in the field of artificial intelligence could compromise the European Union's ability to remain competitive in this sphere. This may also deter foreign companies from conducting business within the European Union market. Thus, JBCE aimed to contribute to finding an **appropriate balance between regulation and innovation**. In addition, as JBCE thought that "autonomy" was the key to differentiating AI systems from other software and welcomed the alignment of the definition of artificial intelligence with that of the OECD.

- **Prohibited AI Systems:** The prohibition of remote biometric identification (RBI) should not be extended to situations where RBI poses minimal or no risk to fundamental rights, health, or safety, or where it does pose a risk, but that risk is outweighed by public safety concerns.
- **High-risk AI systems:** Obligations imposed on providers of AI systems classified as high-risk based on their 'intended use' will be disproportionately onerous. Clarity is also needed to define "high-risk". Clear guidelines would provide more clarity for providers to comply with the various obligations.
- **Obligations for providers and users of high-risk AI systems:** The scope of each operator's responsibilities should be clearly identified. Regarding the new conformity assessment procedure, the definition of the term 'substantial modification' should be further clarified for cases where systems are modified after being placed on the market.
- **Transparency obligations for certain AI systems:** More clarity is needed regarding the transparency obligation which would require that providers notify natural persons when interacting with AI systems unless it is obvious from the circumstances and the context of use.
- **AI sandboxes:** Member States should refrain from only allowing national companies to participate in these strategic activities. JBCE strongly encouraged the creation of "International AI Sandboxes" with multiple third countries and in particular with Japan.
- **Generative AI:** JBCE closely monitored discussions on the topic. The Regulation should provide legal clarity while keeping generative AI systems operationalisable for companies.

Timeline

- **21 April 2022**
European Commission published its legislative proposal
- **6 December 2022**
Council adopted its general approach
- **14 June 2023**
European Parliament adopted its position
- **June 2023**
Co-legislators started trilogue negotiations
- **8 December 2023**
Co-legislators reached a provisional agreement
- **Q1 2024 (TBC)**
Co-legislators' formal adoption

DATA ACT (DA)

Background

The European Data Strategy, presented by the European Commission in February 2020, sets out to make the EU a leader in the data-driven society.

Following the Data Governance Act (DGA) in November 2020 as a framework for governing common European data spaces, the DA was published. It aims to ensure fairness in the allocation of value from data among actors in the data economy, to foster access to and use of data and to stimulate a competitive data market. The Data Act was adopted on 27 November 2023 and entered into force on 11 January 2024, following its publication in the Official Journal of the EU on 22 December 2023. From September 2025, most of its rules will start to apply.

The DA:

- Aims to ensure that users of a product or related service in the Union can access, in a timely manner, the data generated using that product or related service;
- Sets out the general rules applicable to data provision obligations;
- Provides for the use by public sectors of data held by enterprises in exceptional situations;
- Introduces minimum regulatory requirements imposed on providers of cloud and other data processing services, to enable switching between such services and so on.

JBCE's key messages in 2023

JBCE welcomed the DA proposed to promote fairness in the use of and access to data. We believed that the **use of data** among various stakeholders **is essential to strengthen the competitiveness of companies** and to create a fair society where everyone has the opportunity to innovate.

However, we were concerned that **certain types of requirements** within the DA were too prescriptive and could therefore represent a **risk to innovation**, rather than an opportunity to help drive it. Additionally, we drew attention to the fact that the DA presented risks of **overlap with many other pieces of legislations** (e.g., GDPR).

We encouraged the **new legislation to strike a balance between rights to access data and incentives to invest in data**, with a simple and workable framework for all stakeholders.

With that in mind, JBCE's concerns were related to the following points:

- Some **definitions** (e.g., data, data holders) could be further clarified;
- **Balance of rights between B2C/B2B** in data sharing should be pursued to pay full respect to development efforts and **trade secrets**;
- The new data portability right should be **aligned with the personal data portability right** envisaged in the GDPR;
- It is an excessive burden to design all products and related services to make data easily and directly accessible to users by default;
- Clarification should be provided to **narrow "an exceptional need"**;
- **"Functional equivalence"** is an appropriate language when it comes to switching between data processing services;
- **International data transfers** should be carefully considered in accordance with international standards;
- Penalties should be well-balanced so as not to discourage business.

Timeline

23 February 2022

European Commission published its **legislative proposal**

14 March 2023

European Parliament adopted its **position**

17 March 2023

Council adopted its **general approach**

28 June 2023

Co-legislators reached an agreement

9 November 2023

European Parliament approved the agreement

23 November 2023

Council approved the agreement

22 December 2023

Data Act published in **OJEU**

12 September 2025

Entry into force

CYBER RESILIENCE ACT (CRA)

Background

The Commission proposed the CRA due to an **estimated global annual cost of cybercrime of EUR 5.5 trillion by 2021** with a **rapidly increased number of cyberattacks** on all products. As a provisional agreement was reached on 30 November 2023, it is likely to be approved at the beginning of 2024.

Hence, CRA aims to:

- Lay down **horizontal cybersecurity rules** which are not specific to sectors or certain products with digital elements except for products for which cybersecurity requirements are already set in place (e.g., medical devices, aviation, or cars).
- Create conditions for the **development of secure products** with digital elements with fewer vulnerabilities.
- Create conditions **allowing users to take cybersecurity into account** when selecting and using products with digital elements.

There are **requirements and obligations** not only for **manufacturers** to factor in cybersecurity in designs, developments and productions of the products with digital elements, but **also for other economic operators** on the supply chain. **Notified bodies (NB)** play a key role in ensuring a **high level of cybersecurity** as NB give **CE marking** to manufacturers.

Following the final adoption of the text, we hope that clear guidelines will be provided to support the implementation of the Act and reduce the excessive administrative burdens which could disrupt business activities and innovation for industry bodies.

JBCE's key messages in 2023

In the context of the CRA proposal, JBCE insisted on the following points:

1. Scope:

- **Annex III should be limited to finished hardware products**, and only a limited amount of hardware components should be included.
- Limiting cybersecurity requirements for open-source products used in 'commercial activities'.
- **Devices protected by information security systems** should be excluded (or be given special consideration).
- **Critical products listed in Annex III should be better specified.**
- **Spare parts** should be excluded from the scope.

2. Reporting obligations:

- CRA should align with the **NIS 2 Directive (2022/2555)** for **early-warning** and **incident notifications**. Reporting should also be limited to significant incidents. Manufacturers should be able to report to ENISA **only after verifying exploited vulnerabilities**.

Timeline

15 September 2022

European Commission published a **legislative proposal**

19 July 2023

European Parliament adopted its **position**

19 July 2023

Council adopted its **general approach**

27 September 2023

Co-legislators started trilogue negotiations

30 November 2023

Co-legislators reached a provisional agreement

January 2024 (TBC)

Co-legislators' formal approval

Mid-2026

Industry obliged to comply with some aspects of the law such as reporting vulnerabilities

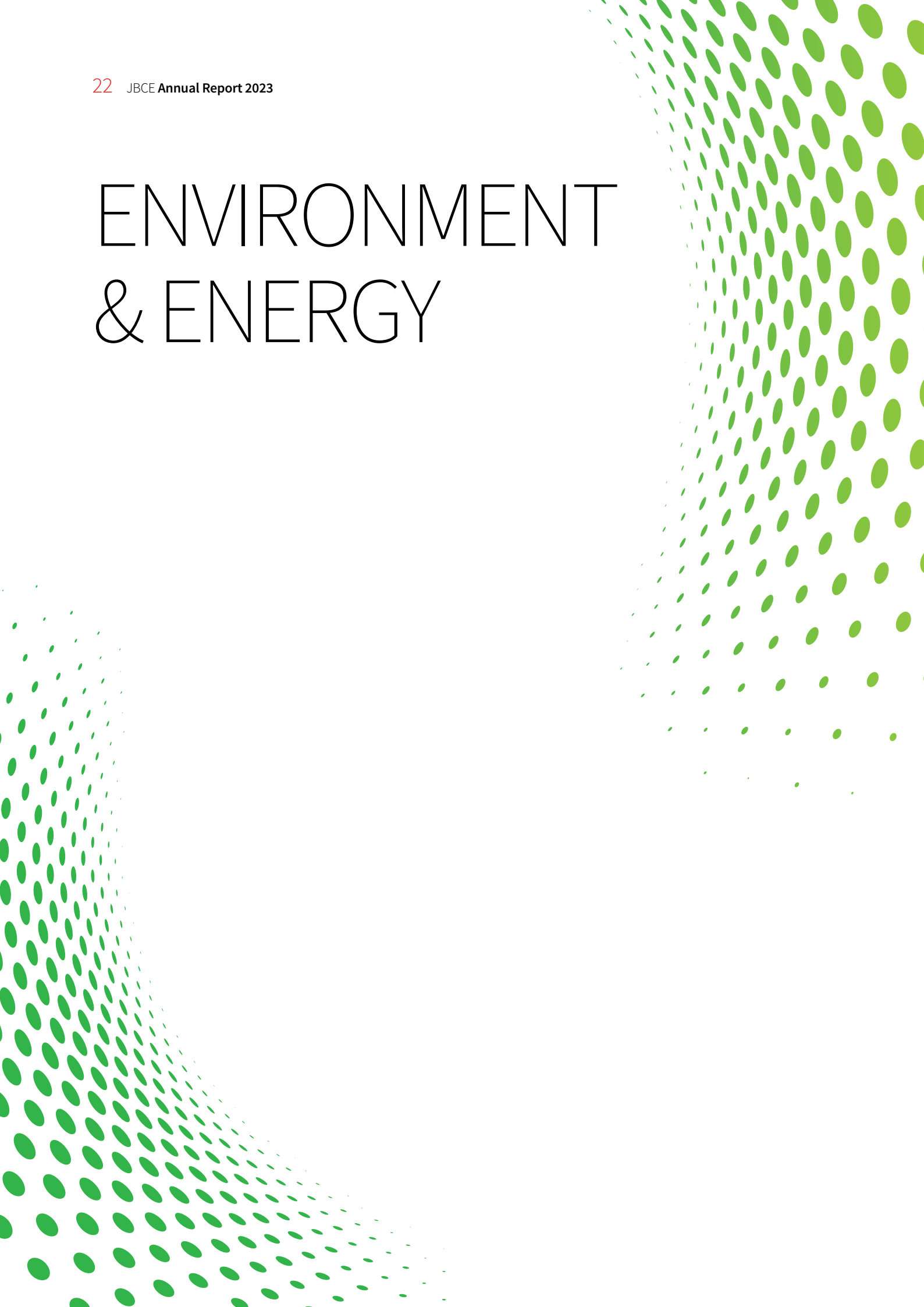
Early 2027

Full implementation of the new rules

3. Security concerns relating to transparency requirements:

- CRA should clearly state that the **Software Bill of Materials (SBOM)** does not need to be made available to end users. Economic operators should not need to inform market surveillance authorities and users when a manufacturer ceases operations.
- 4. Repealing the Delegated Regulation (2022/30) supplementing the Radio Equipment Directive (2014/53/EU), to avoid redundancies.
- 5. **Ensuring consistency and better alignment with the New Legislative Framework**, for example regarding standalone software, contact information, or the recognition of international standards by notified bodies.
- 6. On the **timeline**, JBCE wanted a 36-month transition period for components listed in Annex III and 48 months for finished products.

ENVIRONMENT & ENERGY



RESTRICTION OF HAZARDOUS SUBSTANCE (ROHS) DIRECTIVE

Background

The **evaluation of the RoHS Directive has identified a range of issues** with the practical operation of the Directive and some systemic issues, pointing to the high administrative burden and complexity of provisions and processes in place.

The initiative's overall objective would be to ensure that the **RoHS Directive rules help protect human health and the environment** while ensuring **harmonised application on the EU market**.

To address the problems identified, a range of possible measures will be considered, taking account of the objectives of the **EU Green Deal**, and particularly the **Circular economy action plan**, the **Zero pollution action plan**, the **Chemicals Strategy for Sustainability** and the **Sustainable Products Initiative**.

The controversial points are:

- **Exemptions:**
- **Renewal exemption evaluation Package: Pack21, Pack22, Pack23, Pack24, Pack 27;**
- **Spare Parts: "Repair as Produced" principle;**
- **Substance restriction assessment: "one substance, one assessment" principle;**
- **Evaluation will be moved to European Chemicals Agency (ECHA);**
- **Consistency with related EU legislation**

JBCE's key messages in 2023

JBCE's overall position was that the **RoHS Directive functions** well and has contributed to protecting the environment and human health.

Hence, **major changes** – such as recasting the RoHS Directive or incorporating it into other legislation - **were not desired**.

However, for JBCE, addressing the following points would make it more efficient and effective:

1. Exemptions

- **Longer exemption period for some items;**
- **Transition periods** of at least **24 months** for **categories 1-7, 10 and 11**, and **36 to 42 months** for **categories 8 and 9;**
- **Simple and understandable wording** of the exemptions.

2. Spare Parts

- **Maintain the possibility of repairment of legacy equipment** under current provisions of the RoHS Directive Article 4.

3. "One substance, one assessment" principle:

- **Better alignment of RoHS Directive with REACH Regulation.** Substances that are not "hazardous" under the REACH Regulation should not be considered for possible restriction under the RoHS Directive.

4. Consistency with related EU legislations needed.

Timeline

14 February – 14

March 2022

Call for evidence,
Impact
Assessment
RoHS review

10 March – 16

June 2022

Public
consultation on
RoHS review

07 December

2023

European
Commission
published its
final report on
the RoHS review

After 2025 (TBC)

Publication
of legislative
proposal

CLASSIFICATION, PACKAGING AND LABELLING (CLP) REGULATION

Background

As announced in the Chemicals Strategy for Sustainability, the **targeted revision** will aim to achieve the objectives of the Strategy and address some additional concerns identified in the Fitness Checks on chemicals legislation and endocrine disruptors.

As for **introducing new hazards classes**, the Commission has reviewed it by **delegated act (Hazardous chemicals – updated rules on classification, labelling and packaging)**.

Main points:

- **New Hazards Classes:**
 - Inconsistency with GHS
 - Scientific Evidence
 - Transition Period
- **Labelling:**
 - QR codes / digital labels
 - On-line sales

JBCE's message

JBCE **supported the risk-management approach** based on chemical substances and mixtures. The use of higher-hazard substances and mixtures should be restricted but **a sufficient scientific evaluation and transition period should be considered**. In addition, in order to avoid confusion in the global supply chain, these evaluations should be made with consideration of practicality and feasibility from an international perspective.

1. **Clear guidance documents** should be presented to avoid wrong and inadequate interpretations of the newly introduced proposed criteria;
2. **Consistency between CLP and UN GHS** to avoid confusion in the global supply chain, these issues should be fully discussed transparently from an international perspective;
3. **Transition Period:** the European Commission should issue clear guidance documents before the adoption of the legal text;
4. **Hazard Classes:** an evaluation of the various properties of chemicals and compounds should be based on reliable data;
5. **Impact of CLP changes on other manufacturing sectors:** need to evaluate the impact on various downstream sectors. Ongoing discussions on the GRA (generic hazard-based approach to chemical management) of the REACH revision and the substances of concern in the draft Ecodesign Regulations.

Timeline

19 December 2022

European Commission published its **legislative proposal**

30 June 2023

Council adopted its **general approach**

4 October 2023

European Parliament adopted its **position**

5 December 2023

Co-legislators reached a provisional agreement

January 2024 (TBC)

Co-legislators' formal approval

REACH REGULATION

Background

The overall objectives of the initiative are: innovation for safe and sustainable chemicals & high level of protection of health and the environment, while preserving the internal market, as provided for in the Chemicals Strategy for Sustainability, including grouping restriction such as PFAS.

Key revision objectives include:

- Registration requirements (incl. identification of all carcinogenic substances, polymers of concern, and overall environmental footprint of chemicals).
- Introduction of Mixtures Assessment Factor(s) (MAF)
- Simplifying supply chains' communication.
- Provisions for dossier and substance evaluation.
- Reform of authorisation process.
- Reform of restriction process.
- Introducing Essential Use Concept
- Expanding the Generic Risk Management Approach
- Revision of the provisions

JBCE's message

JBCE broadly supported the objective of the Regulation but highlighted three blocking points:

1. Generic Risk Management Approach

- Not all the aspects mentioned in the REACH revision consultation were identified as hazard classes.
- The GRA approach did not distinguish between hazard and risk.
- The GRA should not be extended to professional uses.

2. Reform of authorisations and restrictions' processes

- Authorisation processes are a valid process for all stakeholders in this supply chain. They should be chosen for simplification purposes. However, fairness is required for all stakeholders, such as certainty of plans and competitiveness with non-EU manufacturers and this could be further improved.
- Restriction processes should incorporate scientific requirements as well as clear and detailed procedures like the authorisation process, as well as the authorisation process.

3. Essential Uses Concept

- The inclusion of 'essentiality' into the REACH restriction & authorisation regime must be based on a broad legal and political consideration.
- Amendment of the conditions for REACH restriction: Article 68 by simple inclusion of 'essential uses' concept, in particular to apply to every substance (whether as a single substance or a group of substances) and every end use, would hurt innovation in EU, which consequently might cause the loss of EU global competitiveness.

Timeline

4 May – 1

June 2021

Feedback –

Inception Impact
Assessment on
REACH Revision

20 January – 15

April 2023

Public

Consultation on
REACH revision

2025 (TBC)

Publication
of legislative
proposal

ECODESIGN FOR SUSTAINABLE PRODUCTS REGULATION (ESPR)

Background

This ESPR proposal is the cornerstone of the Commission's approach to **more environmentally sustainable and circular products**. The ESPR builds further on the existing Ecodesign Directive, currently only covering energy-related products.

The ESPR proposal will replace the Ecodesign Directive and enlarges the scope to **almost all categories of physical goods placed on the EU market** (except for food and feed).

The proposal establishes a framework to set **eco-design requirements** for specific product groups to significantly **improve their circularity, energy performance** and **other environmental sustainability aspects**.

Some **key requirements** proposed:

- Substances of concern (tracking)
- Energy and resource efficiency (product durability, reusability, upgradability, and reparability)
- Recycled content
- Remanufacturing and recycling
- Carbon and environmental footprints
- Information requirements via Digital Product Passport
- Sustainability/performance label
- Repairability score
- Destruction of unsold durable goods

The agreement between the Council and the Parliament was reached in December 2023. The Regulation is expected to be published in the Official Journal of the EU in spring 2024. Following the publication in the OJEU, some delegated and implementing acts are expected to be adopted..

JBCE's message

JBCE supported the EU's ambition to make sustainable products the norm in the EU but emphasised that the requirements for achieving this should be workable and feasible from an industry perspective. JBCE also suggested the organisation of workshops and the provision of guidance for the respective ESPR requirements for stakeholders to better understand the proposal.

- **Need for a product-group-specific approach.**
- **Proportionality among requirements:** a step-by-step approach should be favoured, starting with minimum requirements, and introducing a review process to assess the effectiveness of the measures before setting additional requirements.
- **Ensure alignment with existing legislation:** Avoid duplication or conflict with other legislation such as REACH, CLP, and RoHS.
- **Single-market fragmentation:** The replacement of the Ecodesign Directive with an ESPR Regulation was a good thing. Harmonised rules should be introduced at EU level to avoid fragmentation of the EU's internal market.

Timeline

- **30 March 2022**
European Commission published its legislative proposal
- **15 May 2023**
Council adopted its general approach
- **12 July 2023**
European Parliament adopted its position
- **30 August 2023**
Co-legislators started the trilogue negotiations
- **4 December 2023**
Co-legislators reached a provisional agreement
- **January 2024 (TBC)**
Co-legislators' formal approval
- **Q1 2024 (TBC)**
Working plan on ESPR
- **Q2 2024 (TBC)**
Publication of Regulation

The following items were of concern to JBCE:

- Ecodesign Requirements
- Substances of concern
- Environmental impact, including carbon and environmental footprint
- Information requirements via Digital Product Passport
- Labels
- Market surveillance
- Incentives for sustainable business models

RENEWABLE ENERGY DIRECTIVE (III) - GAS & HYDROGEN DIRECTIVE/REGULATION

Background

Several proposals are currently impacting the European strategy regarding hydrogen.

• RED III

The European Commission (EC) presented a proposal to amend the “Renewable Energy Directive” (RED II) on 14 July 2021, as part of the “Fit for 55” Package.

The key controversial point concerns “**additionality**”. This requires green hydrogen producers to source electricity from dedicated green-energy projects, with grid-sourced electricity allowed only when it could be offset with a dedicated supply within the hour.

• Gas & Hydrogen Markets Directive & Regulation

The EC presented a joint proposal to amend the “Gas & Hydrogen Markets Directive & Regulation” on 15 December 2021, as part of the 2nd batch of the “Fit for 55” Package.

These proposals promote the expansion of hydrogen use and the facilitation of cross-border distribution. The key controversial point of these initiatives is the definition of low-carbon hydrogen.

JBCE’s key messages in 2023

In hydrogen related policies, JBCE’s key areas of focus were the two points below.

1) Green hydrogen definition “additionality” (RED III)

The green hydrogen criteria, “additionality”, was firstly defined by the EC as a delegated act of “RED II”, however, MEPs wished to specify and simplify the “additionality” criteria directly into Article 27 of “RED III” and weaken the requirements of green hydrogen criteria. With these complex discussions in the EU, the publication of an “additionality” delegated act was repeatedly postponed.

JBCE welcomed the long awaited “additionality” delegated act, which entered into force in July 2023, and the publication of “RED III” in the Official Journal of the EU in October 2023.

2) Low-carbon hydrogen definition (Gas & Hydrogen Markets Directive & Regulation)

The Gas & Hydrogen Markets Directive defines low-carbon hydrogen as “*the hydrogen derived from non-renewable sources, which meets GHG reduction threshold of 70%*” (Directive, Article 2, Article 8).

This definition is also described in Article 29 a of “RED III”. However, the methodology for calculation for GHG reduction on low carbon hydrogen will be defined separately from “RED III” (Directive, Article 8). JBCE closely monitored this trend because low-carbon definition greatly affects hydrogen operators. For instance, the Gas & Hydrogen Markets Regulation sets a 100% discount on cross-border tariffs for renewable and low-carbon gases in the hydrogen and natural gas system (Regulation, Article 16).

Timeline

RED III

14 July 2021

European Commission published its [legislative proposal](#)

24 June 2022

Council adopted its [general approach](#)

14 September 2022

European Parliament adopted its [position](#)

30 March 2023

Co-legislators reached an agreement

12 September 2023

European Parliament approved agreement

9 October 2023

Council approved agreement

31 October 2023

[RED III](#) published in OJEU

Mid-2025

Member States to transpose the directive into national legislation

EU Gas & Hydrogen Markets Regulation

- **15 December 2021**
European
Commission
published its
**legislative
proposal**
- **15 March 2023**
European
Parliament adopted
its position
- **28 March 2023**
Council adopted its
general approach
- **8 December 2023**
Co-legislators
reached a
provisional
agreement
- **January 2024 (TBC)**
Co-legislators'
formal approval

EU Gas & Hydrogen Markets Directive

- **15 December 2021**
European
Commission
published its
**legislative
proposal**
- **17 February 2023**
European
Parliament adopted
its position
- **28 March 2023**
Council adopted its
general approach
- **8 December 2023**
Co-legislators
reached a
provisional
agreement
- **January 2024 (TBC)**
Co-legislators'
formal approval

CARBON CAPTURE, USE AND STORAGE (CCUS) REGULATION

Background

The European Commission (EC), through **Directive 2009/31/EC**, provides a regulatory framework for the environmental safety of Carbon Capture and Storage (CCS). As regards Carbon Capture and utilisation (CCU), renewable fuels produced from captured CO₂ is regulated under RED II. The EC adopted a Communication on Sustainable Carbon Cycles on 15 December 2021, as part of the 2nd batch of the “Fit for 55” Package. It lists key actions to support industrial CCUS, including the assessment of cross-border CO₂ infrastructure deployment.

The Communication also proposed the way forward to **certify carbon removals**, which was then proposed on 30 November 2022. In parallel, the EC has started analysing an outline of the CO₂ transport and storage infrastructure in 2030 and 2040 and expects results in early 2023.

The controversial point is that carbon removals are at risk of **uncontrolled re-emission** and **specific measurement difficulties**, which will lead to uncertainty of estimates.

JBCE’s key messages in 2023

In CCUS related policies, JBCE’s key areas of focus were two points below.

1. CCUS certification scheme

JBCE monitored requirements for monitoring standards, reporting protocols and verification means of carbon removals shown below.

- CCS
- CCU (production of construction materials, chemicals, plastics or fuels)
- Direct Air Capture (DAC)
- Direct Air Carbon Capture and Storage (DACCS)
- Bio-Energy Carbon Capture and Storage (BECCS)

2. Relationship with other policies

JBCE monitored relationship and harmonisation progress with other related policies shown below.

- EU-ETS, CBAM
- Product and Organisation Environmental Footprint (PEF/OEF)
- International rules such as ISO, GHG protocol

Timeline

30 November 2022

European Commission published a **legislative proposal**

17 November 2023

Council reached its **general approach**

21 November 2023

European Parliament adopted its **position**

December 2023

Co-legislators started trilogue negotiations

FLUORINATED GREENHOUSE GASES (F-GAS) REGULATION

Background

The EU's F-gas regulation aims at **controlling emissions from fluorinated greenhouse gases** (F-gases), including **hydrofluorocarbons** (HFCs).

The first regulation was promulgated in 2006 and amended in 2014. The European Commission (EC)'s proposal for the second amendment was presented on 5 April 2022.

The EC is proposing to **align** the F-gas Regulation with:

- **European Green Deal**, the European Climate Law, the European Climate Law
- Recent international obligations on HFCs under the **Montreal Protocol**
- **Progress** made and **lessons learned**.

The review is intended to:

- Deliver higher ambitions
- Ensure compliance with the Montreal Protocol
- Improve enforcement and implementation
- Achieve more comprehensive monitoring

JBCE's key messages in 2023

JBCE broadly welcomed the revision of the 2014 F-Gas Regulation and remained committed to achieving further emission reductions from F-Gases.

JBCE believed the **HVAC industry can support and contribute to EU's climate goals** and the challenges to reduce the EU's energy dependency on fossil fuels in the heating and cooling sector, especially in light of the recent geopolitical events, via the uptake of energy-efficient heat pumps.

The contribution of heat pumps in this respect was recognised in the Commission's March 2022 **RePowerEU** Communication which **targets an accelerated deployment of heat pumps aiming at 30 million by 2030**.

However, JBCE had strong concerns that the needed acceleration of heat pumps in the market would be hampered by the revised regulation and also that the ban on all F-Gases for certain applications like split heat pumps would challenge safety.

Indeed, JBCE believed **the industry should be allowed to opt for the most appropriate refrigerant following a comprehensive assessment, not using GWP as a sole factor**, to contribute to the EU climate and energy targets.

Therefore, the Japanese industry proposed amendments in order to promote decarbonisation and shift away from a dependency on natural gas by accelerating the spread of HPs.

Timeline

5 April 2022

European Commission published the **legislative proposal**

30 March 2023

European Parliament adopted its **position**

5 April 2023

Council adopted its **general approach**

5 October 2023

Co-legislators reached a provisional agreement

January 2024

Co-legislators' formal approval

Early/Mid-March 2024 (TBC)

Regulation to be published in OJEU

BATTERIES & WASTE BATTERIES REGULATION

Background

The Batteries and Waste Batteries Regulation aims to:

- **Harmonise product requirements for batteries.**
- **Minimise the environmental impact** of batteries.
- **Close the loop** by encouraging reuse and improving batteries collection and recycling of materials.
- **Provide legal certainty** to unlock investments and boost the production capacity for sustainable batteries in Europe and beyond.

This is to be achieved by:

- New requirements for the **sustainability and safety** of batteries.
- New requirements for **performance and durability**.
- New requirements for **labelling** and information provision, e.g. on hazardous materials.
- **End-of-life** management – increased separate collection, recycling and materials recovery.

The objective is to support development of circular and resource-efficient approaches, reduce dependency on virgin materials and the environmental impacts of their extraction, and contribute to renewable energies; achieving climate neutrality by 2050.

JBCE is monitoring the publication of secondary legislation related to the Batteries Regulation.

JBCE's key messages in 2023

For JBCE, the following points required particular attention::

- In general, effort needed to be made to ensure **sufficient lead time** (also in consideration of the availability of notified bodies).
- Regarding **information requirements** and the BMS SOH (Battery Management System State-of-Health) data provision, efforts need to be made to harmonise the battery data sharing regulatory framework to **avoid lots of overlapping** between **regulatory initiatives** (such as with EURO VII and UN ECE GTR No. 22).
- Regarding **removability and replaceability**, sufficient consideration needs to be given to the necessity to ensure consumer safety by allowing for the possibility of portable batteries being **removed and replaced by independent operators**.
- **Ensure that innovation is not inhibited** by requiring that new and innovative battery materials (which are not yet produced at scale and therefore have a relatively high carbon footprint) be subject to the same requirement as already commercialized materials.
- Fair and comparable requirements should be ensured when the carbon footprint **calculation methodology is extended** to other battery types not considered in the batteries PEFCR (Product Environmental Footprint Category Rules), for example those for **Hybrid Electric Vehicles**.
- Ensure that **guidance regarding the implementation** of the Batteries and Waste Batteries Regulation (e.g. regarding removability and replaceability) be provided in a timely manner and that continued consultation with stakeholders in industry be ensured throughout the process.

Timeline

10 December 2020

European Commission published its **legislative proposal**

10 March 2022

European Parliament adopted its **position**

17 March 2022

Council adopted a **common position**

9 December 2022

Co-legislators reached a provisional agreement

14 June 2023

European Parliament approved agreement

10 July 2023

Council approved agreement

28 July 2023

Regulation published in OJEU

18 February 2024

Regulation shall apply

18 August 2025

Chapter V shall apply

18 February 2027

Article 11 shall apply

PROPOSAL FOR PACKAGING WASTE REGULATION (PPWR)

Background

The **revision** of the Packaging and Packaging Waste Directive (94/62/EC) aims to ensure that **all packaging is reusable or recyclable in an economically feasible way by 2030**.

The proposal takes the form of a **Regulation rather than a Directive** to allow a higher level of harmonisation across all EU Member States.

The proposed Regulation would **establish requirements for the entire packaging life cycle**, from raw material to final disposal. It would apply to all packaging (regardless of the material) and to all packaging waste. Packaging would have to comply with the Regulation to be allowed to be placed on the market, and Member States would not be allowed to prohibit, restrict, or impede the placing on the market of packaging that would comply with it.

The proposal also sets out sustainability requirements, such as:

- All packaging must be recyclable by 1 January 2030, and recyclable at scale by 1 January 2035
- The definition of Substance of Concern (SoC) as laid down in Article 2(28) of the **Ecodesign for Sustainable Products Regulation (ESPR)**
- Minimum recycled content targets for plastic part in packaging
- Packaging minimisation to limit weight and volume of packaging

JBCE's key messages in 2023

JBCE welcomed and supported the overall aim of the European Commission to strive for more sustainable packaging and subsequently reduce its waste. However, certain aspects related to the responsibilities of market actors needed further clarification. While we acknowledged and welcomed the intention of the proposed regulation, some regulatory divergence still existed across Member States. JBCE also believed that all stakeholders along the value chain should be actively consulted for the establishment of the various requirements under the upcoming secondary legislation.

We insisted on the following points:

- **Labelling of packaging:** Member States should not be allowed to introduce further labelling requirements for the purpose of identifying EPR schemes. Art. 11(7) should explicitly prevent the introduction of requirements on packaging sustainability labels.
- The already wide (and expanding) definition of **'Substance of Concern (SoC)'** made it very difficult for companies to keep track with SoCs. We called on the Commission to publish clear guidance and a SoCs list as a reference.
- **Only material requirements should be applied for B2B products**, as they differ for each customer, according to the equipment and handling procedures in the customer's facility.
- In some cases, only high barrier multilayer packaging can provide necessary protection. **Such packaging materials should be permitted** even if they cannot be recycled mechanically.
- Primary packaging of **semiconductor, chemical reagents, and photographic products** should be exempted from the minimum recycled content target.
- **EU Declaration of Conformity:** As it will be more difficult for non-EU packaging manufacturers to comply with this obligation, we called for longer transitional periods and additional guidance to support them.
- For contact-sensitive packaging recyclability and PCR content, requirements should not be prioritised over safety considerations. **Chemical recycling needs to be an equally acknowledged recycling method** for such packaging, and secondary raw materials out of chemical recycling must fully count as recycled content.
- **Timeline:** A sufficient transition period should be granted in addition to clear guidelines for each application and requirement

Timeline

30 November 2022

European Commission published its **legislative proposal**

1 December 2022 – 24 April 2023

Feedback period on the proposal

22 November 2023

European Parliament adopted **its position**

18 December 2023

Council adopted its **general approach**

January 2024

Co-legislators to start trilogue negotiations

STANDARDS & CONFORMITY



MACHINERY REGULATION

Background

The Machinery Directive of 2006 required an update to improve safety levels further and take account of the latest IT innovations. The proposed revision aligns the Directive with **EU harmonised legislation on product health and safety** and tackles the challenges that may arise from technical progress in digitization.

It will ensure the **safe integration of Artificial Intelligence (AI)** systems into machines and thus encourage innovation.

It seeks to tackle the following problems:

- Assessment on the Machinery Directive;
- Insufficient coverage of new risks stemming from the **new digital technologies**;
- **Legal uncertainty** due to a lack of clarity regarding the scope and definitions and possible safety gaps in traditional technologies;
- Insufficient provision for **high-risk machines**;
- Costs due to extensive **paper-based documentation**;
- **Inconsistencies** with other pieces of EU product safety legislation;
- **Divergences in interpretation** due to transposition (hence the regulation).

JBCE's key messages in 2023

JBCE welcomed the proposal but remained concerned about the following points:

- **Harmonisation & alignment with EU law:** Coherence and alignment must be guaranteed, not only with other Directives/Regulations under the New Legislative Framework (NLF), but also with AI and Cybersecurity-related legislative initiatives.
- **AI and Cybersecurity issues:** It is crucial to avoid overlaps and ensure alignment with the latest EU legislative initiatives:
 - For **AI or human-robot collaboration**, the Machinery Regulation should only focus on essential health and safety requirements, which must themselves be set in a **technologically neutral way, and independent from user cases**.
 - For **cybersecurity**, the Machinery Regulation focuses on the safety and the placing of products on the EU market - which is a very different objective than making products more secured against cyber-attacks. **The requirements for manufacturers** of machinery should be implemented in the EU via voluntary **certification and labelling**, for instance through the Cybersecurity Act and be based on existing international standards (e.g., ISO 27001).
- **Scope and definitions:** It is not appropriate to regulate software update in the framework of the Machinery Regulation.
- **Conformity assessment:** Mandatory third-party conformity assessment will increase costs, create more administrative burden for companies and authorities, and increase the time required to access the market. JBCE was in favour of retaining the self-assessment option.
- **International Standardization:** Alignment with international ISO/IEC standards is needed when drawing up standardisation requests and recognising harmonised standards to ensure a level-playing field in the EU. The Commission should refrain from adopting technical specifications as alternatives to harmonised standards.
- **Enforcement:** JBCE had some concerns regarding the lack of clarity on the exact modalities of the digital format.

Timeline

- **21 April 2021**
European Commission published its legislative proposal
- **5 May 2022**
European Parliament adopted its position
- **21 June 2022**
Council adopted its general approach
- **15 December 2022**
Co-legislators reached an agreement
- **18 April 2023**
European Parliament approved agreement
- **22 May 2023**
Council approved agreement
- **29 June 2023**
Regulation published in OJEU
- **13 July 2023**
Article 6(7), 48 and 53 became applicable
- **14 October 2023**
Article 50(1) became applicable
- **14 January 2024**
Articles 26 to 42 became applicable
- **14 July 2024**
Article 6(2) to (6), (8), and Article 47 and 53 (3) to become applicable
- **14 January 2027**
The Regulation shall become applicable

GENERAL PRODUCTS SAFETY REGULATION (GPSR)

Background

The current General Product Safety Directive **protects consumers** by ensuring that **only safe goods are sold on the EU market**.

This initiative revises those rules to:

- Respond to issues related to **new technologies and online sales**
- Ensure **better enforcement** of the rules and more efficient market surveillance
- **Simplify the standardization** process
- **Improve the recall of dangerous products** in the hands of consumers

Specific provisions of the proposal include:

- Subject matter
- Clarification of definitions
- Obligations of manufacturers
- Information to economic operators
- Obligations of economic operators in case of accidents related to safety of products
- Information requirements in electronic format
- Specific obligations of online marketplaces related to product safety
- Market surveillance
- Consumer safety network and international cooperation
- Entry into force

JBCE's key messages in 2023

JBCE welcomed the proposal for the GPSR, which also addresses the New Legislative Framework (NLF) and Market Surveillance Regulation and reduces the costs of transposition with the choice of a Regulation.

Key proposals by JBCE included:

• Article 3: Definitions

Compatibility of products: adding a provision stating that where a product is claimed to be “compatible” with an original equipment manufacturer (OEM) product, it should be required to meet/comply with all the same health and safety requirements of the original OEM product.

• Article 6: Presumption of Safety

A well-functioning standardization system was already established by the European Commission. The safety and technical requirements covered by different implementing acts aspects would go against the principle of the New Legislative Framework. The procedure for adopting implementing acts and their requirements should be made clearer.

Timeline

- **30 June 2021**
European Commission published its legislative proposal
- **24 June 2022**
European Parliament adopted its position
- **20 July 2022**
Council adopted its general approach
- **15 September 2022**
Co-legislators started trilogue negotiations
- **21 December 2022**
Co-legislators reached provisional agreement
- **30 March 2023**
European Parliament approved agreement
- **25 April 2023**
Council approved agreement
- **23 May 2023**
Regulation published in OJEU

- **Article 7: Aspect of Assessing the safety of Products**

Horizontal regulations on cybersecurity and AI are expected and will fully cover this issue.. JBCE was concerned about the duplication of the work for the manufacturer.

- **Article 15: Responsible Person**

The testing of a sample by the responsible person is an additional burden on the industry. In addition, the products covered by the GPSR are already very low risk products and testing them would be an additional cost to the manufacturer, which is why JBCE recommended removing this requirement.

- **Article 47: Transitional Period**

At least 24 months for the companies to implement the requirements and comply with the new GPSR regulation are needed.

NEW LEGISLATIVE FRAMEWORK (NLF)

Background

The New Legislative Framework (NLF) for industrial products in the EU aims to provide a common legislative framework over the product legislation, basis of the CE marking principles. NLF simplifies and improves access to the EU market for goods while improving market surveillance and boosting the quality of conformity assessments.

Given the evolving technological landscape, a consultation sought to evaluate whether the NLF remains fit for purpose in a digital and circular economy. The evaluation focused on soft- and hardware updates & upgrades refurbishment & repairs conformity assessment accreditation.

JBCE's key messages in 2023

Legal, technical and commercial developments are changing the way a product is assessed, placed on the market, updated, as well as the way information is shared, including with the end user of the product and market surveillance authorities. Therefore, JBCE welcomed the assessment of the NLF and conveyed the following messages:

- For products whose characteristics may be changed through their lifetime, any new roles and obligations shall be attached to the operator who brings those changes to the product and shall apply only where new or extended risk is introduced or the intended use of the product is changed. The existing NLF provisions are sufficient for **remanufactured product** outside the above category.
- The **toolbox of conformity assessment procedures** is adequate for addressing the categories of products presenting various levels of risk. The NLF should not be adjusted to solve problems not directly attributable to it (e.g. inefficient citation of harmonised standards).
- **Notified bodies' opinions** are usually based on available harmonised standards, in such situation their added value is limited to the identification of the proper standard. Where harmonised standard is not available, alignment of opinions based on common approach from different Notified bodies might be a subject of interest. Also, the information from Notified bodies to the manufacturers about the evaluation of the state of the art applicable to the approved product is rarely practiced despite the requirement according to the NLF. These 3 points shall be subject to further evaluation.
- An **e-labelling** solution would seriously contribute to the reduction of the environmental footprint in line with the Circular Economy principles. This proposal shall be part of the evaluation. The **CE marking** shall remain the reference mark to indicate full compliance with the essential requirements and additional markings or indications requested by individual member states to demonstrate compliance shall be avoided at all times.
- The lack of a **crisis instrument** for urgent situations does not render the NLF less effective or efficient as the NLF together with Regulation (EU) 2019/1020 addresses such crises situations.

Timeline

4 November
– 2 December
2020
Consultation
on Roadmap

13 December
2021 – 7
February
2022
Public
Consultation

11 November
2022
Final version
of the
evaluation
published

EU STANDARDISATION STRATEGY

Background

A new Standardisation Strategy outlines EU approach to standards within the Single Market as well as globally, with following key actions:

- Anticipate, prioritise and address standardisation needs in strategic areas;
- Improve the governance and integrity of the European standardisation system;
- Enhance European leadership in global standards.
- Support innovation
- Enable the next generation of standardisation experts

The Strategy is accompanied by an amendment to the Regulation on standardisation changing the voting rules for ETSI, a report on its implementation and the 2022 annual Union work programme for European standardisation.

JBCE's key messages in 2023

JBCE welcomed the European Commission's initiative for a European standardisation strategy that aims to support the digital transformation and the green transition. Standards are at the core of the EU Single Market and the New Legislative Framework for products, and key to the EU's economic integration that is imperative in today's geopolitical context more than ever.

JBCE supported the ambition to take a more proactive approach towards strategy setting for standards. The proposed actions should consolidate the strengths of the existing system and consequently preserve the inclusive and successful market-driven nature of the standardisation processes. Based on the observations of industry leaders and experts active in standardisation, we urged policymakers to consider the following elements when implementing the strategy and remained available for a constructive dialogue on how the EU can lead in standardisation.

Summary of recommendations

- We acknowledged the European Commission's interest in good governance principles in standardisation bodies, their consideration of the geopolitics of standards, and the appreciation of the catalyst standards play in our relations with key international partners.
- We underlined the necessity to unconditionally maintain standards development processes that are market-driven and inclusive, with stakeholders in the driving seat. The development and harmonisation of standards should not be limited to areas of political priority.
- Building the EU's resilience and a model for open strategic autonomy should not mean that the EU resorts to isolationism, instead the EU should further reinforce its ties in standardization with key trading partners and should further promote the participation of European stakeholders in international standardisation activities.
- We urged the European Commission to restore the efficient mechanisms for the development, assessment, and timely revision of relevant, state-of-the-art harmonised European standards that respond to market needs and support the application of EU law.
- The use of common or technical specifications, as an alternative to harmonised European standards, should only be possible in exceptional cases. Horizontal guidelines should set strict and exceptional conditions, including a proper ex- ante impact assessment and the early involvement, consultation, and direct engagement of the industry.
- The future EU High-Level Forum should be used as a platform to directly involve all stakeholders in standardisation, especially when setting agendas and developing actions.

Timeline

2 February 2022

Presentation of the **New EU Standardisation Strategy**

19 December 2022

Publication of amending Regulation in OJEU

9 July 2023

Amending Regulation enforced

1 September - 29 September 2023

Call for evidence on Evaluation of Regulation (1025/2012)

9 May 2023

European Parliament adopted **INI report** on Standardisation Strategy

Q3 2024 (delayed - TBC)

Planned **public consultation**

Q4 2024 (TBC)

Planned adoption of the Evaluation by the European Commission

TRADE POLICY



CARBON BORDER ADJUSTMENT MECHANISM (CBAM)

Background

CBAM is designed to **prevent carbon leakage**. To promote decarbonization of the products under the scope, free emission allocations under the Emission Trading System (ETS) will gradually be phased out, whereas the CBAM will be imposed on imported products.

In addition to the original **5 sectors proposed by EC for the 1st phase** of the CBAM (i.e., Cement / Iron & Steel / Aluminium / Fertiliser / Electricity), Hydrogen was included in the provisional agreement, expanding the scope of the Commission's initial proposal into the chemical substance (i.e. Hydrogen)

Indirect emission (Scope 2 electricity), a part of upstream and downstream products is included.

The **countries having an EU- equivalent ETS could be exempted from the CBAM**, as it would be an explicit carbon pricing system.

Japanese industries pay for carbon pricing in different ways such as petrol tax or energy efficiency tax which would be regarded as an implicit carbon pricing.

The GX league in Japan is working on setting up the voluntary ETS to seek either exemption or offsetting.

Simultaneously, G7 is working under the Climate Club to discuss the potential exemptions among like-minded partner countries.

JBCE's key messages in 2023

JBCE strongly advocated for the following points:

- A system should be developed at global level to **encourage the low carbon intensity of products**;
- Efforts should be made to ensure **a level playing field and avoid disparities between the imports and domestic products** in the calculation of greenhouse gas (GHG) emissions;
- CBAM must be **in compliance with WTO rules**;
- **In-depth verification and assessment of feasibility and burden on industries, including from a technological perspective**, should be implemented **before expanding the scope to other products**.

Out of the initial six sectors (including hydrogen) covered in the legislation, steel/iron was the only one that applied directly to JBCE members. Hence, the **biggest concern at the time was the scope expansion that was proposed by the EP**, which could have affected JBCE's members active in the chemicals and polymers' sectors.

JBCE closely monitored the developments in both **emission calculation methodologies** discussed at DG TAXUD level and **carbon pricing offsetting**.

Timeline

14 July 2021

European Commission published its **legislative proposal**

15 March 2022

Council adopted its **general approach**

22 June 2022

European Parliament adopted its **position**

12 December 2022

Co-legislators reached a provisional agreement

20 December 2022

Council approved agreement

18 April 2023

European Parliament approved agreement

16 May 2023

Regulation published in OJEU

17 August 2023

Implementing Regulation adopted

1 October 2023

Beginning of the transition period

31 January 2024

Submission deadline for the first reporting period

Highlights of the year



JBCE: A Key Player on the International Scene

• CEATEC event on 18th October 2023

On 18th October, Mr. Lars Brückner, Vice Chair of JBCE's Digital Innovation Committee (DIC), gave a presentation at the CEATEC conference, 'The Future of AI, Innovation, and Regulation' Dialogue with G7 Tech Industry Representatives, organized by JEITA. Other panelists included tech industry associations from G7 countries and representatives from the Japanese government.



• EU-Japan BUSINESS ROUND TABLE on 7th November 2023

On 7th November, the 25th annual meeting of the EU-Japan Business Round Table was organised bringing together business leaders and representatives of the Authorities of the EU and Japan to discuss issues of common interest. Mr Alistair Dormer, President of JBCE, made a presentation during the themed discussion on Green Transition, focusing on CBAM and PFAS regulations as well as on the proposed passport policies in the circular legislations.



JBCE: Opportunities for Informal Networking Between Members and Key Stakeholders in Brussels

• JBCE Garden Party on 8th June 2023

On 8th June, JBCE held its annual Summer Garden Party and welcomed over 120 stakeholders both from the public and private sectors.



JBCE: Bridging the Gap Between EU Decision-Makers and Industry Throughout the Legislative Process

- **Active outreach campaign** both with MEPs' offices and Permanent Representations on the FLPB.
- **Participation** for the second time in the **CARACAL meeting** to present scientific updates regarding the discussion on **MWCNTs**.
- **Joint event** organised with the **European Business Council (EBC)** in Japan on **Sustainable and Responsible Supply Chains** to foster better communication and cooperation between EU and Japanese decision-makers and industry stakeholders.



JBCE: Facilitating Dialogues - Regular Briefing Sessions with Expert Guest Speakers for Members

• Knowledge Sharing Session on the Cyber Resilience Act (CRA)

On 31st March, the Digital Innovation (DI) Committee invited Raluca Stefanuc (European Commission, DG CONNECT.H.2 – Cybersecurity and Digital Private Policy) to give an overview of the Cyber Resilience Act (CRA) and update our member companies on the status of the negotiations within the European Parliament and the Council of the EU.

• **EU-Japan Round Table on the Standards on Robotics**

On 20th April, a round table on EU-Japan Cooperation on Machinery Regulation and Standards was conducted to facilitate a dialogue with diverse stakeholders and the Robotics industry. The aim was to discuss trends in EU-Japan regulations and standards related to robotics, as well as potential future collaborations in the context of emerging regulations such as the Machinery Regulation, AI Regulation, and Cyber Resilience Act under consideration in Europe.

• **CEN & CENELEC's presentation of current European Standardisation activities**

On 12th October, the Standards & Conformity (S&C) Committee held an information session to update the JBCE members on the latest developments on European Standardisation. Three guest speakers from the European Committee for Standardisation (CEN) and Electronical Standardisation (CENELEC) gave an overview of their current activities, including on Cybersecurity, AI, Eco-Design, Batteries, Hydrogen, and the European Sustainability Reporting Standards (ESRS), as well as their work with the Japanese Industrial Standards Activities Committee (JISC).

Conclusion

Next year will be a key transition year – it remains important to stay on top of the developments and anticipate the shifts in the political landscape at EU level.

INFORMATION FOR NEW MEMBERS

JBCE provides for Japanese companies based in EU, or providing a product or services to the EU, up-to-date information on the latest developments in European Policies. JBCE advocates for Japanese Business in the EU, connects Japanese companies operating in EU and provides a high-quality intelligence and monitoring services.

HOW TO JOIN?

1. Contact JBCE's Secretariat by using the inquiry form available under "Contact" on our webpage. Once we receive a request, we will send you by email the relevant documents required for registration.
2. Fill out the registration documents and have it signed by a company representative.
3. Once JBCE's Board of Directors approves your application, you will be formally notified. You can then participate in events / committee meetings organised by JBCE and receive relevant information and reports.

EU Transparency Register number: **68368571120-55**

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