



EUROPEAN UNION

Delegation of the European Commission to Japan

Head of Delegation

Tokyo, 21 April 2009

DELJPN P&E/FV-Mik (2009) D/1590

**NOTE TO MR. E. LANDABURU
DIRECTOR-GENERAL
DG RELEX**

Subject: The 30th EU-Japan Interparliamentary Meeting in Tokyo

Summary

- The European Parliament Delegation for Relations with Japan visited Japan 5-11 April to attend the 30th EU-Japan Interparliamentary Meeting in Tokyo on 7 April. The Meeting covered 1) political situation in Japan; 2) financial and economic situation in Japan and the EU and 3) global issues and Japan-EU cooperation.
- In Tokyo, the EP delegation met PM Aso, Minister for Land, Infrastructure, Transport and Tourism Kaneko, Bank of Japan Governor Shirakawa, Speaker of the House of Representatives Kono and President of the House of Councillors Eda.
- The EP delegation's interest focused on the global economic and financial crisis. Japanese interlocutors were interested in the EU position to stimulate the economy by using means other than fiscal stimulus. The EP delegation emphasised the importance of monitoring and regulating financial markets in Europe.
- Most of the discussion with PM Aso focused on economic issues. The PM and Dr Jarzembowski also touched briefly on DPRK.
- Dr Jarzembowski suggested to Minister Kaneko that the EU-Japan High Level Transport Dialogue should be strengthened and a paragraph on transport inserted in the May 2009 EU-Japan Summit Press Statement.
- BoJ Gov. Shirakawa opined that the downturn of the economy would continue and said that maintaining financial system stability remained the BoJ's first priority.
- The meetings with the LDP and the DPJ showed the former is gaining some confidence from the recent uptick in its popularity while the latter is shedding its lead as bad publicity surrounding its leader Ozawa's alleged financial irregularities refuses to abate.

Detail

1. The European Parliament Delegation for Relations with Japan visited Japan 5-11 April to attend the 30th EU-Japan Interparliamentary Meeting, which took place in Tokyo on 7 April. The EP delegation was led by Dr Georg Jarzembowski (PPE-DE, Germany) and comprised 6 MEPs, 2

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secretariat staff and 1 political group member. The Japanese side was represented by 36 members from both Houses of the Diet under the chairmanship of Dr Taro Nakayama (LDP, Osaka). Following the three-day stay in Tokyo, the EP delegation visited Nagasaki, Saga and Fukuoka for two days.

2. The 30th Meeting covered 1) political situation in Japan and the EU, 2) financial and economic situation in Japan and the EU and 3) global issues and Japan-EU cooperation. The EP delegation attended a plenary session of the House of Representatives in which a resolution protesting North Korea's launch of a missile happened to be adopted. During their stay in Tokyo, the EP delegation met the Speaker of the House of Representatives (Yohei Kono), the President of the House of Councillors (Satsuki Eda), Prime Minister Taro Aso, Minister for Land, Infrastructure, Transport and Tourism Kazuyoshi Kaneko and Governor of Bank of Japan Masaaki Shirakawa. They also had meetings with LDP members as well as DPJ members including DPJ Secretary General Yukio Hatoyama. Attached to this note are:
 - a) List of members of the two delegations
 - b) Programme of the 30th EU-Japan Interparliamentary Meeting
 - c) Agenda of the working sessions
 - d) Summary on the working sessions
3. The EP delegation's interest during their mission focused on the global economic and financial crisis. Japanese interlocutors were interested in the EU's position at the G20 Financial Summit in London to stimulate the economy by using means other than fiscal stimulus. The EP delegates explained that the main responsibility for economic policy remained with Member States which designed fiscal stimulus policies depending on their different economic problems. Dr Jarzembowski reiterated that the top priority for Europe was to monitor and regulate financial markets which were not sufficiently controlled before the crisis. He was cautious about heavily relying on fiscal stimulus as it leads to higher taxes. Japanese interlocutors, including Speaker Kono and Presidentt Eda, said that the urgent challenge for Japan was to expand domestic demand and create new jobs by establishing a stable employment system. It was pointed out that the financial crisis hit a Japanese economy that was already suffering contraction due to structural reforms, and that stimulus measures should focus on improving the social security and the daily life of Japanese citizens.
4. Domestic political issues were the main topic in the meetings with the LDP and DPJ. LDP members said that the adverse political winds buffeting the LDP had eased since the revelation of financial scandals linked to DPJ leader Ozawa in March. They mentioned that the stimulus measures (e.g. cash hand-out and motorway toll-fee reductions) were bearing fruit and gradually boosting the approval rating for PM Aso which had sunk to near historic lows. LDP members said that it worked in their favour if Ozawa remained at the helm of the DPJ, but expected that Katsuya Okada, one of the seven vice-presidents of the DPJ, would be the next opposition leader if Ozawa steps down. Dr Nakayama did not deny the possibility of a political realignment in case of a very narrow victory by either the LDP or the DPJ in the next general election, which will be called by September at the latest. LDP International Affairs Bureau Director General Asahiko Mihara foresaw that 'quality of life' issues such as social security (e.g. pension and ageing society) as well as the economy would be main themes at the next general election.

In the meeting with the DPJ, Dr Jarzembowski asked what would change in policies if the DPJ took power. Secretary General Yukio Hatoyama clarified three goals: 1) decentralisation of power from central government to local governments; 2) change from an overly US-oriented diplomacy to a UN-based diplomacy; and 3) correction of wasteful public spending to avoid the consumption tax hike. With respect to the next general election, the DPJ did not show much

confidence in obtaining a clear majority. They maintained a cautious stance, saying some DPJ members may abandon the party to join the LDP if it fails to win a majority.

5. The meeting with PM Aso, scheduled to be for 15-20 mins. finally lasted twice as long and took place in a very friendly atmosphere. Most of the discussion focused on economic issues. PM Aso explained the lessons learned from the financial crisis in the 90s and how this experience had helped Japan and other countries (and their central banks) tackle the present crisis. Dr Jarzembowski and the PM exchanged views on measures taken both in Europe and in Japan to stimulate the real economy. Dr Jarzembowski referred to subsidy programmes implemented in various MS in order to encourage consumers to buy cars, in particular those with good green credentials. PM Aso hinted at the possibility of a similar scheme to be established in Japan as part as the new stimulus package / supplementary budget which the government was going to propose soon [nb: this has now been confirmed now; the new stimulus package includes a provision to provide subsidies of up to ¥200. yen when a car is purchased to replace an older model]. The PM and Dr Jarzembowski also touched briefly on DPRK (the meeting took place the day after the DPRK rocket launch). Aso said that DPRK was a serious danger, notably, because it was a country with “an abnormal leader”. He mentioned that any further serious deterioration of Japan-DPRK relationships could put at risk / unsettle the 600.000 Koreans in Japan. He said that China was not exerting pressure on DPRK to the full extent possible.
6. The meeting with MLIT Minister Kaneko was organised at the specific request of Dr Jarzembowski. Dr Jarzembowski congratulated Minister Kaneko on MLIT’s signing of the EU-Japan Record of Consultations in the aviation field. He said that the EU-Japan High Level Transport Dialogue in particular ought to be strengthened and suggested a paragraph on transport could be inserted in the Press Statement released at the EU-Japan Summit in May. The Minister replied that he did not object to this. On aviation emissions trading, the EP delegation argued that ICAO was not up to the task of reducing aviation emissions and that in the absence of a global agreement, the EU would implement the emissions trading scheme for airlines starting in 2012. Minister Kaneko prefers a global agreement and suggested ICAO was the most suitable candidate to make it work. On maritime emissions, the EU explained it was looking for a global solution under the aegis of the IMO, to which Japan replied that it has submitted a proposal on an index to measure energy efficiency for ships to the IMO and is now looking for the EU’s support on this. Dr Jarzembowski concluded by saying that for politicians “doing transport is doing environment.”
7. BoJ Gov. Shirakawa explained that Japan’s financial system itself was quite stable and resilient, but that the economy had deteriorated very sharply as it was dependent on the industries currently suffering most (cars, consumer electronics, machines). He expected that this trend would continue even if there are some positive signs (e.g. car industry – production is expected to start increasing again in April or May). The BoJ started purchasing commercial paper and facilitating funding of banks last January. It seems to be effective but concerns about risks related to shareholdings by banks remain. Maintaining stability of Japan’s financial system remains BoJ’s first priority. However, he said that budgetary policy has a role to play even if Japan has to remain cautious because of the current level of public debt. Answering MEPs’ questions, Governor Shirakawa added that in theory new expenditures could work (especially infrastructure in urban areas), but that in practice such works were carried out in rural areas. Hence, he preferred tax cuts. About G20, he insisted that it was not a summit but a process; in his view, one of the main issues to be tackled was the procyclicality in financial regulations.
8. In Nagasaki Prefecture, the EP delegation paid a call on Governor Genjiro Kaneko and visited the Nagasaki Atomic Bomb Museum in the Nagasaki Peace Park and the Shipyard and Machinery Works of Mitsubishi Heavy Industries. The EP delegation paid floral tribute at the

cenotaph for the A-Bomb victims in the Peace Park. In Saga, they paid a call on Karatsu Mayor Toshiyuki Sakai and visited cultural sites including the Sakaida Kakiemon (living national treasure) kiln and Karatsu Castle. In Fukuoka, they had lunch with members of the Fukuoka EU Association and exchanged views on cooperation between the prefecture and the EU.

Delegation comment

This 30th edition of the EU-Japan parliamentary dialogue can be called a success as it was granted high level access (45mn with the PM instead of 20mn; BoJ Governor) and saw the participation of many prominent politicians; a tribute to the hard work of the EP delegation's chairman, Dr Jarzembowski. The EP delegation was well-treated with many MPs turning up at the various functions and events, showing clear interest from the Japanese side in the strengthening of the dialogue with the European Parliament. During the visit to Kyushu, the EP delegation was accompanied by members of the Japanese Diet delegation (Chairman Nakayama, Mr Takashi Kosugi, Chief Secretary of the EU-Japan Parliamentary League of Friendship and Mr Yoshiaki Takaki, DPJ Vice President in Nagasaki and Mr Kosuke Hori, Chairman of the LDP Policy Research Council, Mr Kosugi and Mr Kazuhiro Haraguchi, Next (Shadow) Minister for Internal Affairs and Communications in Saga).

Seeing that their major interest was the economic and financial crisis, the EP delegation timed their visit well: right after the G20 Financial Summit in London. The visit also took place at a time when Japan's politics is in a state of delicate balance between the LDP and the DPJ. If their visit to Japan had been a month earlier, they would have had been convinced that the DPJ would take power in the next general election. The LDP is gaining confidence that the stimulus measures taken by the Aso government, which were harshly criticised before their implementation, are being positively received by the public and are helping PM Aso's approval rating (in fact, the approval rating for the Aso government reached 30% in a monthly NHK poll released on 13 April, 12 points higher than a month before). It is noteworthy that the DPJ did not hide its concern at the possibility that the LDP would gain more seats than the DPJ in the next general election and of a negative political realignment against the political party.



Hugh Richardson

Cc: KOVANDA Karel; SEATTER Alan; HATWELL Jonathan; RINGROSE David; DASHWOOD Christopher; PONCIN Marie-Christine; LIOU GINGUAY Florence; KOZLOWSKI Tomasz (RELEX); BERTOLDI Moreno; GAYE Caroline (ECFIN); AVEZOU Jean-Marie (ENTR); WATERSCHOOT Daniel (EMPL); ABREU MARQUES Paula; SIHMANE Olga (TREN); MAILLET Aurore (ENV); SOUPIZET Jean-Francois; DEVARS Thierry (INFSO); ALVIN Helena (JLS); HEUZE Thibault (MARKT); KONIG Helena; CHIRULLO Marco (TRADE); PAULIS Emil; TOFT Torben; COMP INTERNATIONAL RELATIONS; (COMP); GAMBS Hubert (Cab); DELEGATION CHINA; DELEGATION REP OF KOREA; JARZEMBOWSKI Georg; ZVERINA Jaroslav; LEWANDOWSKI Janusz; KAUFMANN Sylvia-Yvonne; STARKEVICIUTE Margarita; GRAU I SEGU Marti; BERTON Jean-Louis; JACOB Thierry; SHULMEISTER Philipp; CARNAZZA Germana (EP); RAB RAZVAN Stefan; PRESUTTI Francesco (CONSIL)

EUROPEAN PARLIAMENT

DELEGATION FOR RELATIONS WITH JAPAN

30th EP/Japan Interparliamentary Meeting

5 - 11 April 2009

Tokyo, Nagasaki & Saga

LIST OF PARTICIPANTS

(23/03/2009)

<u>Members (6)</u>	<u>Group</u>	<u>Country</u>	<u>Committees</u>
Mr Georg JARZEMBOWSKI <i>Chairman</i>	EPP-DE	Germany	Transport and Tourism Foreign Affairs
Mr Jaroslav ZVĚŘINA <i>2nd Vice-Chairman</i>	EPP-DE	Czech Republic	Legal Affairs
Mr Janusz LEWANDOWSKI	EPP-PE	Poland	Budgets (<i>Vice-Chairman</i>)
Ms Sylvia-Yvonne KAUFMANN	GUE/NGL	Germany	Constitutional Affairs
Ms Margarita STARKEVIČIŪTĖ	ALDE	Lithuania	Economic and Monetary Affairs
Mr Marti GRAU I SEGŪ	PES	Spain	Internal Market and Consumer Protection

Abbreviations:

EPP-DE	Group of the European People's Party (Christian Democrats) and European Democrats
GUE/NGL	Confederal Group of the European United Left/Nordic Green Left
ALDE	Group of the Alliance of Liberals and Democrats of Europe
PES	Socialists Group in the European Parliament

DG EXPO - Secretariat (2)

Thierry JACOB	Administrator
Germana CARNAZZA	Administrative assistant

Political groups (1)

Mr Philipp SCHULMEISTER	EPP-ED counsellor
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(31 March 2009)

The 30th Japan-EP Interparliamentary Conference
Japanese Delegation List

Delegates (36 members)

Leader	Dr. Taro NAKAYAMA, MP	H.R., Liberal Democratic Party
Deputy Leader	Mr. Yasuo YAMASHITA, MP	H.C., The Democratic Party, The Shin-Ryokufukai, The People's New Party and The Nippon
Member	Mr. Ichiro AISAWA, MP	H.R., Liberal Democratic Party
	Dr. Kuniko INOBUCHI, MP	H.R., Liberal Democratic Party
	Dr. Ichiro KAMOSHITA, MP	H.R., Liberal Democratic Party
	Mr. Kenji KOSAKA, MP	H.R., Liberal Democratic Party
	Mr. Takashi KOSUGI, MP	H.R., Liberal Democratic Party
	Mr. Masazumi GOTODA, MP	H.R., Liberal Democratic Party
	Ms. Mitsue KONDO, MP	H.R., Liberal Democratic Party
	Dr. Koichiro SHIMIZU, MP	H.R., Liberal Democratic Party
	Mr. Kentaro SONOURA, MP	H.R., Liberal Democratic Party
	Mr. Yuji TSUSHIMA, MP	H.R., Liberal Democratic Party
	Mr. Fukushima NUKAGA, MP	H.R., Liberal Democratic Party
	Mr. Takuya HIRAI, MP	H.R., Liberal Democratic Party
	Mr. Kosuke HORI, MP	H.R., Liberal Democratic Party
	Ms. Mayumi MORIYAMA, MP	H.R., Liberal Democratic Party
	Mr. Hakuo YANAGISAWA, MP	H.R., Liberal Democratic Party
	Mr. Koichiro ICHIMURA, MP	H.R., Democratic Party of Japan and Club of Independents
	Mr. Katsumasa SUZUKI, MP	H.R., Democratic Party of Japan and Club of Independents
	Mr. Yoshiaki TAKAKI, MP	H.R., Democratic Party of Japan and Club of Independents
	Mr. Kazuhiro HARAGUCHI, MP	H.R., Democratic Party of Japan and Club of Independents
	Mr. Yutaka BANNO, MP	H.R., Democratic Party of Japan and Club of Independents
	Mr. Motohisa FURUKAWA, MP	H.R., Democratic Party of Japan and Club of Independents
	Mr. Wataru ITO, MP	H.R., New Komeito
	Ms. Kaori MARUYA, MP	H.R., New Komeito
	Ms. Kumiko AIHARA, MP	H.C., The Democratic Party, The Shin-Ryokufukai, The People's New Party and The Nippon
	Mr. Shuji IKEGUCHI, MP	H.C., The Democratic Party, The Shin-Ryokufukai, The People's New Party and The Nippon
	Mr. Tsukasa IWAMOTO, MP	H.C., The Democratic Party, The Shin-Ryokufukai, The People's New Party and The Nippon
	Ms. Wakako HIRONAKA, MP	H.C., The Democratic Party, The Shin-Ryokufukai, The People's New Party and The Nippon
	Mr. Naoki MINEZAKI, MP	H.C., The Democratic Party, The Shin-Ryokufukai, The People's New Party and The Nippon
	Ms. Yukiko SAKAMOTO, MP	H.C., Liberal Democratic Party
	Mr. Masakazu SEKIGUCHI, MP	H.C., Liberal Democratic Party
	Mr. Masaji MATSUYAMA, MP	H.C., Liberal Democratic Party
	Mr. Hiromi YOSHIDA, MP	H.C., Liberal Democratic Party
	Dr. Shuichi KATO, MP	H.C., New Komeito
	Mr. Sohei NIHI, MP	H.C., Japanese Communist Party

*Abbreviation: H.R. = House of Representatives

H.C. = House of Councillors

THE 30TH JAPAN-EP INTERPARLIAMENTARY CONFERENCE

DRAFT PROGRAMME

5-11 April 2009 in Tokyo, Nagasaki and Saga

Friday 3 April

15:30-17:00 Coordination meeting between the Japanese Diet and EP Secretariats

Sunday 5 April

Arrival of EP delegation in Tokyo/Narita Airport

【 Stay at the Imperial Hotel 】

Monday 6 April

morning Meeting with Members of the Cabinet (tbd)

11:30 Bureau meeting for the leaders of the two delegations
Imperial Hotel,.....

12:00-13:30 Working Luncheon “Current Financial Situation and Future Outlook:
From Global Perspective Focusing on the Japan-EU Situation”
Imperial Hotel, Banquet Room ‘Botan’, The Main Bldg. 2F
Guest Speaker: Mr. Ryutaro KONO, Chief Economist, Head of
Economic Research Department, BNP PARIBAS Securities, Tokyo

14:00-14:40 Courtesy call on H.E. Mr. Yohei KONO, Speaker of the
House of Representatives
Drawing Room of the Speaker, House of the Representatives

15:00-15:20 Meeting with Mr. Taro ASO, Prime Minister
Official Residence of the Prime Minister

15:40-16:10 Courtesy call on H.E. Mr. Satsuki EDA, President of the
House of Councillors
Drawing Room of the President, House of the Councillors

16:40-17:10 Meeting with Mr. Kazuyoshi KANEKO, Minister of Land, Infrastructure,
Transport and Tourism
Ministry of Land, Infrastructure, Transport and Tourism

18:00- Reception jointly hosted by the Speaker and the President

Official Residence of the Speaker

20:00- Convivial party with Japan-EU Interparliamentary League of Friendship
Hotel New Otani Tokyo, Banquet Room 'Orizuru Sho', The Main Bldg., Arcade Floor

【 Stay at the Imperial Hotel】

Tuesday 7 April

9:00-11:30 **First Working Session** (Internet TV broadcasting)
Committee Room 17, House of Representatives

11:45-12:35 Lunch in the Parliamentary Museum

13:00 Attend plenary session of the House of Representatives (diplomatic gallery)
Welcome by the Speaker (tbd)

14:30-17:00 **Second Working Session** (Internet TV broadcasting)
Committee Room 17, House of Representatives

17:00-17:30 Joint Press conference
Committee Room 17, House of Representatives

18:30-20:30 Dinner hosted by Mr Georg Jarzembowski, Leader of the EP Delegation and
Mr. Hugh RICHARDSON, Head of Delegation of the European Commission
to Japan
Meiji Kinenkan 1st Floor, Banquet Room 'Wakatake'

【 Stay at the Imperial Hotel】

Wednesday 8 April

8:00-9:00 Counterpart Political Party Meeting with LDP
Imperial Hotel, 'Les Saisons', The Main Bldg. Mezzanine

10:00-10:30 Meeting with Mr. SHIRAKAWA, Governor of the Bank of Japan
Bank of Japan Head Office

..... Lunch (private)

12:50 Baggage collection at the VIP entrance (after check-out)

13:00 Leave the hotel

13:30-14:00 Meeting with Dr. HATOYAMA, Secretary General of the Democratic Party
of Japan
The Democratic Party of Japan Headquarters 6th Floor

Transfer to Haneda Airport

15:55 Depart from Haneda for Nagasaki on flight ANA(NH)667

17:55 Arrive at Nagasaki airport

18:15 Depart from Nagasaki airport

Transfer to Nagasaki City by bus (45min)

19:05 Arrive at Luke Plaza Hotel

19:30- Dinner hosted by Dr. Taro NAKAYAMA, Leader of the Japanese Delegation
Luke Plaza Hotel 8th Floor, 'The Oriental Room'

Stay at Luke Plaza Hotel

Address: 17-15 Enoura-machi, Nagasaki City,
Nagasaki 852-8007

TEL : 095-861-0055 FAX : 095-861-8800

Thursday 9 April

8:50 Baggage collection at the Lobby (after check-out)

9:00 Leave the hotel

9:20-9:50 Courtesy call on Mr. Genjiro KANEKO, Governor of Nagasaki Prefecture
Drawing Room of the Governor, Nagasaki Prefectural Government

10:30-11:30 Tour of the Mitsubishi Heavy Industries, Nagasaki Shipyard & Machinery
Works, Koyagi Plant

12:00-13:15 Luncheon hosted by Nagasaki Prefecture (tbd)

13:30-14:05 Wreath-laying at the Cenotaph for the Atomic Bomb Victims
in the Peace Park

14:10-14:50 Tour of the Atomic Bomb Museum

Transfer to Arita City by bus (70min)

16:00-16:40 Tour of the kiln and gallery of Mr. Sakaida Kakiemon (Japanese potter)

Transfer to Karatsu City by bus (60min)

17:40 Arrive at Karatsu Seaside Hotel

19:00- Dinner hosted by the Japanese Delegation
Wataya Ryokan, 'Otori Room'

Stay at Karatsu Seaside Hotel
Address: 4-182 Higashi-Karatsu, Karatsu City,
Saga 847-0017
TEL : 0955-75-3300 FAX : 0955-74-2638

Friday 10 April

8:40 Baggage collection at the Lobby (after check-out)

8:50 Leave the hotel

9:00-9:30 Courtesy call on Mr. Toshiyuki SAKAI, Mayor of Karatsu City
Drawing Room of the Mayor, Karatsu City Hall

9:30-9:45 Informal press conference
Drawing Room of the Mayor, Karatsu City Hall

9:50-10:20 Karatsu Shinto shrine and Hikiyama Exhibition Hall

10:30-11:10 The Former Takatori's Residence

11:20-11:50 Tour of the Karatsu Castle

Transfer to Fukuoka City by bus (80min)
via Niji-no-Matsubara, stretching along the Karatsu Bay coastline

13:10 Arrive at Nishitetsu Grand Hotel in Hakata-ku, Fukuoka City

13:15-14:30 Lunch with some members of Fukuoka EU association
Nishitetsu Grand Hotel 2nd Floor, Banquet Room 'Shinju'

..... Free time

Stay at Nishitetsu Grand Hotel
Address: 2-6-60 Daimyo, Chuo-ku, Fukuoka City,
Fukuoka 810-8587
TEL : 092-771-7171 FAX : 092-751-8224

Saturday 11 April

6:20 Leave the hotel for Fukuoka airport

7:10 Depart from Fukuoka for Narita on flight ANA(NH) 2142

(End)

(as of 26 March 2009)

30th EP/Japan Interparliamentary Meeting

Agenda

7 April 2008, Tôkyô

	Agenda	1 st Speaker	
		Japan	EU
9:00–11:30	1st Working Session: Chaired by ..., Leader of the Japanese Delegation		
	9:00 - 9:10 Introductory remarks		
	9:10 - 10:10 Theme 1: Political situation in Japan and the EU		
	1.1 Political situation in Japan (including Asian regional issues)	YAMASHITA(H.C.)	
	1.2 Political situation in the EU (including European regional issues)		JARZEMBOWSKI
	10:10-10:25 Break		
	Theme 2: Financial and economic situation in Japan and the EU		
	10:25 - 11:30 2.1 Assessment of international action against the current financial and economic situation and comparative analysis of the anti-crisis measures in Japan and the EU	HARAGUCHI(H.R.)	LEWANDOWSKI
<i>Lunch</i>			
14:30–17:00	2nd Working Session: Chaired by Dr Jarzembowski, Chairman of the EP Delegation		
	Theme 3: Global issues and Japan-EU cooperation		
	14:30 - 15:15 3.1 Climate change and energy policy	MORIYAMA(H.R.)	ZVEŘINA
	15:15-15:30 Break		
	15:30 - 16:15 3.2 Energy and supply lines security (including the fight against piracy)	FURUKAWA(H.R.)	JARZEMBOWSKI
	16:15-16:45 3.3 Development co-operation, Millenium Development Goals and North-South security issues	INOUCHI(H.R.)	GRAU i SEGU
	16:45-17:00 Concluding remarks		

(H.R.) House of Representatives (H.C.) House of Councillors

The 30th EU-Japan Interparliamentary Meeting, 7 April 2009

Summary on working sessions

The working sessions in Tokyo followed the traditional pattern of exchanging opinions over the agreed agenda items, ranging from political and economic issues to security issues. Chairman Nakayama opened the meeting by calling for a moment of silent prayer for the victims of the earthquake in Italy the previous day.

1. The 1st working session

Theme 1: Political situation in Japan and the EU

The Japanese presentation (by Mr Yamashita, DPJ) covered Japan's relations with the neighbouring countries (DPRK - the launch of the missile on 5 April, Korea, China and Russia), the difficult situation in passing bills in the Diet with the opposition-held Upper House and Japan's worst economic performance among the major industrial countries following the financial crisis. Chairman Jarzembowski (PPE-DE) presented the main issues in the European political scene, with the exception of the economic & financial crisis and climate change which was discussed in separate sessions. He reviewed the state of play of the ratification of the Lisbon Treaty, the issue of the negotiation for new member states and the upcoming EP election (from which he expected roughly the same outcome for political composition). To the question from the European side as to what will happen if the LDP will lose its two-thirds majority in the Lower House after the election, the reply from the Japanese side was that realignment is expected with politician switching parties between LDP and DPJ, or coping by discussion on issue by issue approach. Asked for advice to future Asian integration, Dr Jarzembowski cited, as pre-conditions, a true phase of reconciliation, cooperation as confidence building, willingness to give up sovereignty and sharing of common values. As for future tasks for the EU, Dr Jarzembowski mentioned the deepening of the Union, need of clear external policy and the importance of neighbourhood policy.

Theme 2: Financial and economic situation in Japan and the EU

Mr Haraguchi (DPJ) presented the global developments following the financial crisis and their policy replies, emphasising the importance of international cooperation, including for the boosting of IMF funds. Mr Lewandowski (PPE-DE) gave a presentation touching upon the positive outcome of the recent London G20 meeting in speaking in one voice and reinforcing the IMF by legitimising the institution. He added that the European countries in difficulty will not be left alone but will be helped. Mr Yanagisawa (LDP, ex-Minister for Financial Services) presented the Japanese policy reply to the crisis: supply of liquidity by the BoJ, governmental loans to SMEs, credit enhancement of banks, measures for stock market (government purchase of bank-held stocks), measures for the real estate sector and pumping of capital directly into companies to protect employment. He cited the need for realignment of industries once the crisis is contained and to learn from past experience. Mr Nihi (JCP) talked about the loss of job and home faced by the non-regular workers following the crisis and asked about the EU approach especially in relation to the workers' participation in the codecision and the new directive on temporary work. The European side stressed the need to get rid of excess capacity of industries by retraining of workers, building of social network and fostering new industries, and that "flexibility" of labour market is a solution.

2. The 2nd working session

Theme 3: Global issues and Japan-EU cooperation

- **Climate change and energy policy:** Mrs. Moriyama (LDP) presented an overall view on the recent development in the Japan's policy on climate change, especially in relation to the financial crisis since last autumn. She stressed the importance of promoting "green economy", by way of using more solar power at household, and supporting power stations to replace existing gas stations with a view to promoting electric vehicles. Mr. Jaroslav Zverina (PPE-DE), referring to the Copenhagen Convention scheduled at the end of 2009, pointed out the need to have common policy among developed countries, while admitting that some renewable energy initiatives remain questionable as there are some problematic elements regarding the cost. As to the Mid-Term Target, Mr. Iwamoto (DPJ) explained his party's vision with more ambitious targets (25 % reduction by 2020, and some 60% reduction by 2050) than the 6 proposals currently put on the table by the ruling party (from +4% to - 25% by 2020). Mr. Nihi (JCP) also cast critical views on this, saying that an option with +4% would be unacceptable by his party. Mr. Iwamoto was also skeptical as to the Japanese Government's economic stimulus package, as it is not necessarily directly linked to the measures against climate change. For example, the ruling party's decision to reduce the high way toll fee down to 1,000yen (8 euro) over the weekend should have been replaced by the cut-down of the railway fees, in terms of the reduction of the CO2 emission. On the Arctic Treaty, Mr. Marti Grau i Segu (PES) mentioned that the European Parliament wishes to start the negotiation and seeks for the support from Japan. In the field of electric cars, Ms.Kondo (LDP) underlined the importance of promoting EU-Japan cooperation on technology development (such as improvement of the quality of lithium cells), whereas Mr. Aisawa (LDP) showed a success story of developing "Eliica" which runs 370km per hour with one charge of 25 minutes. He went on saying that how to burn coal in a more efficient way should also be a focal point of discussion on climate change. Concerning the future framework post Kyoto Protocol, Mr. Kosugi (LDP) underlined the three key elements; i) involvement of all stakeholders (including China and India), ii) "equity "(Japan's efforts since 1970s after oil shocks should be taken into consideration) and iii) "feasibility".
- **Energy and supply lines security:** Mr Furukawa (DPJ) gave an outline of Japan's energy situation where energy self sufficiency ratio is only 4% (if nuclear is included 20%) with high dependence on the Middle East for oil supply. He explained about Japan's efforts for the diversification of energy sources through development of gas/oil fields such as Sakhalin 2 project and marine energy projects and oil diplomacy with oil producing countries. As measures for the improvement of energy efficiency, "Top-runner Programme" and "Cool Earth Programme" were cited. He highlighted the success of Joint Energy Workshop in March, where the EU and Japan agreed on cooperation on photovoltaic and fuel cell technologies. He called for international cooperation on the stability of oil prices and the security of sea supply lines, particularly off the coast of Somalia where Japan dispatched its Maritime Self Defence Force in March 2009. As the key to the energy security, Dr Jarzenmbowski pointed out the need to address the following issues: i) home production of energy through combination of coal, nuclear, solar and wind energies; ii) investment in infrastructure such as pipelines; and iii) political risks, including the emergence of energy nationalism; iv) security of supply lines and v) innovation and research such as CSS technology. Mr Minezaki (DPJ) discussed the ETS, pointing out the danger of using market prices as a basis for the valuation of prices. He pointed out that the market price system is largely responsible for the current financial crisis. He claimed that, whereas the principal of accounting should be internationally harmonised, accounting standards should be left to the discretion of each nation. The EU and Japan agreed to continue to discuss the issue at the international standard organisation.

Mrs Hironaka (DPJ) underscored the importance of a "political will" in fighting climate change and called for enhanced the EU-Japan cooperation.

- **Development cooperation, Millenium Development Goals and North-South security issues:** Mr. Grau I Segu presented a framework of EU's development cooperation and a scenario for EU-Japan cooperation. He explained EU's development policy pays attention to environmental aspects when it implements its development cooperation. The European Parliament leads discussion on human rights and gender equality in formulating EU's development cooperation policy. He considered the EU and Japan can send a message of the importance of education and social unity in developing countries to the rest of the world by a cultural dialogue between the EU and Japan. Dr. Inoguchi (LDP) underpinned the importance of roles to be played by the EU and Japan in development assistance. Japan has recently stepped up its assistance to Africa as Africa, inter alia the sub-Sahara region, lags behind Asia in achieving Millennium Development Goals. She emphasised that we have to address disarmament and conflict issues in reducing poverty and enhancing development. Mr. Suzuki (DPJ) added that we should not slow development assistance even amid the global financial crisis. Mr. Minezaki said a nonpartisan group of Diet members for introducing an "international solidarity tax" has been established in Japan in order to ensure a source of fund for development assistance. Dr. Jarzembowski commented that assistance to Africa in the areas of education, water supply and agriculture is important. He also said ODA expenditures should be financed by government budget, not by a tax on golf.