

(Translation)

July 18th, 2017

Dr. Cecilia Malmström
European Commissioner for Trade

Excellency,

In the context of the negotiations on the Agreement between Japan and the European Union for an Economic Partnership (the Japan-EU EPA), Japan and the EU have discussed various issues related to railways. With this letter, I would like to convey that the Japanese side understands that in order to foster their good cooperation in the domain of railways, Japan and the EU share the view on the following understanding:

1. Technical Experts Group

Japan and the EU have set up the Technical Experts Group (TEG) on Railways, in which technical experts from both sides could discuss issues in line with the recommendations of the TEG meeting on September 22nd, 2016.

The TEG may submit proposals to be adopted by an appropriate committee which would be established under the Japan-EU EPA.

2. Railways Industrial Dialogue

Japan and the EU continue the Railways Industrial Dialogue, which is to be held at least once a year and hosted alternately by each side in accordance with the Memorandum of Cooperation signed by Japan and the EU on September 2nd, 2014. The objective of the Dialogue is to further deepen the mutual understanding and to promote mutually beneficial cooperation between Japan and the EU to facilitate bilateral trade in the railway sector, including procurement and purchase by railway operators both from a business and governmental perspective, as well as to monitor mutual market access. Both sides' railways operators and suppliers are expected to participate in this Dialogue.

3. Contact Point on Railway Sectors

Japan and the EU hereby respectively designate the following governmental authority as its contact point to facilitate communication between Japan and the EU on the railway sector:

- (a) for the EU, the European Commission, DG MOVE ; and
- (b) for Japan, the Ministry of Land, Infrastructure, Transportation and Tourism

I would like to use this opportunity to inform you that the four JR companies have recently issued announcements, in which they have expressed their intention to continue to seek high-quality technology, goods and services for the advancement of railways in accordance with their voluntary codes of conduct / basic procurement policies, which are available on their respective websites listed on the attached herewith.

You may wish to inform interested suppliers in the EU of these codes of conduct and where to find them.

Sincerely,

Fumio Kishida
Minister of Foreign Affairs of Japan

(Attachment)

Announcements by the four JR Companies on their basic procurement policies can be available from the following websites;

- JR East:
http://www.jreast.co.jp/e/data/procurement/pdf/20170710_e_procurement.pdf
- JR West:
<http://www.westjr.co.jp/global/en/procurement/information/170706.html>
- JR Central:
http://english.jr-central.co.jp/company/company/material_procurement/_pdf/info_01.pdf
- JR Kyushu:
http://www.jrkyushu.co.jp/company/business/procurement/_icsFiles/afieldfile/2017/07/07/announcement_2017_July.pdf

Brussels, 24 July 2017

JN/as Ares (2017) 4323986

Dear Minister,

I. I acknowledge receipt of your letter of 18 July 2017, in which you have summarized the outcome of discussions on railways within the context of the EU/Japan EPA as follows:

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Mr Fumio Kishida
Minister of Foreign Affairs
2-2-1 Kasumigaseki, Chiyoda-ku,
Tokyo 100-8919,
Japan

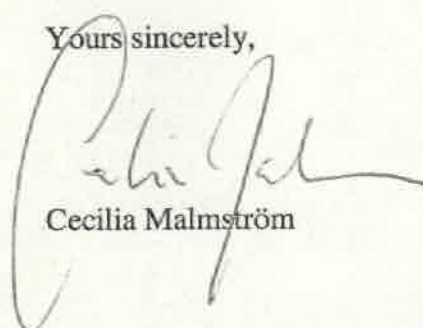
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I have the pleasure of confirming that we share this understanding.

II. Furthermore, I wish to thank you for the information relating to the four JR companies and their respective voluntary codes of conduct or basic procurement policies, which I will disseminate to interested suppliers in the EU.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Cecilia Malmström', with a large, stylized initial 'C'.

Cecilia Malmström