



## **Summary of the Sixth Joint Dialogue with Civil Society under Chapter 16 (Trade and Sustainable Development) of the Agreement between the European Union and Japan for an Economic Partnership**

**Brussels, 23 June 2025**

The sixth meeting of the Joint Dialogue with Civil Society (JDCS) under Chapter 16 (Trade and Sustainable Development (TSD)) of the Agreement between the European Union and Japan for an Economic Partnership (“the Agreement”) took place on 23 June 2025 in Brussels in a hybrid format.

The moderator welcomed all participants to the sixth JDCS, an important platform to foster active engagement between civil society actors on both sides, providing advice and support in implementing the TSD provisions of the EPA.

The EU co-chair highlighted that the EU-Japan cooperation on sustainable trade, anchored in the multilateral system as foreseen in the TSD chapter, is particularly important in the current international context. The Japan co-chair underlined the importance of the TSD chapter in the Agreement and the value of input from the Joint Dialogue with Civil Society to the Committee on Trade and Sustainable Development.

### **STATEMENTS BY THE PARTICIPANTS OF THE CIVIL SOCIETIES**

The EU Domestic Advisory Group chair stressed the importance of transparent and effective monitoring of the implementation of the TSD chapter. The Japanese representative of civil society noted that the value of the Japan-EU EPA which includes the Joint Dialogue with Civil Society would increase further in the current global landscape

### **TRADE AND ENVIRONMENT, INCLUDING TRADE AND CLIMATE ACTION**

On **Green shipping corridors**, an EU civil society representative welcomed the zero-emission routes as contributing to the green transition, while arguing for a people-centred approach, ensuring it is also a just transition and encouraging EU-Japan cooperation in promoting of such a transition. In the subsequent discussion, there was an explanation by the Government of Japan on its decarbonisation efforts related to green shipping corridors.

Another EU civil society representative presented the **EU-Japan Green Alliance**, launched in 2021, as a joint response to global challenges of climate change and

environmental degradation, with cooperation inter alia in such areas as energy transition, climate modelling and local decarbonisation (e.g., through the 100 Cities Event on Climate Action). Since 2024, the EU-Japan Green Alliance Facility is also supporting various projects and initiatives related to the green transition.

A Japanese civil society representative argued on **trade, environment and the EU's carbon border adjustment mechanism (CBAM)**, that the promotion of low carbon products could be enhanced through negotiations on environmental goods and services in the WTO; that market disturbing subsidies should be avoided and that CBAM may be seen as a non-tariff barrier. In response, the EU co-chair noted the non-discriminatory and environmental dimensions of CBAM, and that the compulsory EU Emission Trading System (ETS) will be taken into account in the calculations.

A Japanese civil society representative argued for proactive social dialogue to ensure a just transition and that the **public burden for the green transition is to be broadly and equitably shared in society**. This should go hand in hand with tax policies, labelling and awareness raising. In the subsequent discussion, the EU co-chair noted the ETS 2 which will include the housing and transport sector. Vulnerable households and SMEs will receive support through the Social Climate Fund to mitigate the impact of transition

A Japanese civil society representative noted that Japan's **compulsory Emission Trading Scheme**, as of 2026, is welcome, but questions remain as regards the level of ambition to ensure a level playing field with other countries. She also questioned the **mass balance approach** for green steel, possibly leading to greenwashing. In response, the Government of Japan commented that supplying green steel using the mass balance approach, which allocates emission reductions generated by additional emission reduction projects, would be meaningful as a measure to respond to customer needs at an early stage of transition while continuing investment in the development and implementation of decarbonization technologies, and also noted that the guidelines for this approach were published last November by the World Steel Association.

#### **TRADE AND LABOUR**

An EU civil society representative highlighted recent ILO Committee on the Application of Standards (CAS) cases which observed that certain restrictions on the basic trade union rights of Japanese public employees including firefighters, prison staff and civil servants remained limiting their **freedom of association (C87) and collective bargaining (C98)** and urged a follow up to the recommendations for reform reported by the Committee of Experts on the Application of Conventions and Recommendations (CEACR).

To provide a reference for Japan's on-going efforts to ratify **C111 (prohibition of discrimination)** in view of its civil service codes restrictions to civil servants' rights to voice political options, an EU civil society representative presented EU cases, which illustrate examples of the exceptions to the non-discrimination principles in certain fields under particular conditions adopted by some member states in their efforts to meet C111 requirements.

A Japanese civil society representative noted two major hurdles for ratification of C111, i.e. provisions that differentiate (or offer protection) based on gender and restrictions placed on expression of political opinion by civil servants. He pointed to the continued challenges as regards implementation of C87 and C98. He also made reference to the dispute settlement mechanism under the EU-Korea agreement, which may have assisted the ratification on the side of the Republic of Korea. The Government of Japan was encouraged to proceed with the ratification.

In the subsequent discussion, the Government of Japan shared its official positions on enforcement status of C87 indicating security responsibilities required of firefighters and prison officers similar to the police and its approach toward ratification of C111. It also shared information of the approval to ratify **C155 (occupational safety and health)** in the recent Diet session showcasing Japan's commitment to this subject.

An EU civil society representative mentioned the issue of migrant workers in Japan and the role of receiving and sending agencies. The EU co-chair welcomed Japan's C155 ratification and noted the practical EU Member States' examples (Latvia, Romania, Germany) in how adaptations of civil servant codes helped make them aligned with C111.

#### CROSS-CUTTING ASPECTS OF TRADE AND SUSTAINABLE DEVELOPMENT

An EU civil society representative provided up-dates on the proposed changes to the **CSDDD** by various **omnibus packages** and how the European Parliament rapporteur positioned herself to the proposals. He noted that the final outcome remains fairly open in view of possible further proposals before the upcoming dialogues. On the impact of the proposed changes, he noted inter alia that by redefining the scope as entire Tier 1 (direct suppliers) departing from the original risk-based approach, burdens could be inflicted upon Tier 1 companies, while important information of concerned indirect suppliers may be missed. Another EU civil society representative welcomed the omnibus simplification and the stop the clock proposal in general, while emphasising the need for a more comprehensive plan to reduce burdens. And for the effective implementation of CBAM, legal clarity and capacity building assistance are needed.

A Japanese civil society representative put forward the recommendations on

omnibus, including the need for legal clarity, operational feasibility (including a request to adopt risk-based approach) and considerations of non-EU companies. She asked for harmonisation of definitions in CSRD and CSDDD, alignment with international frameworks (e.g., ISBB), and a swift transposition of the stop the clock proposal. She also proposed to promote Japan-EU cooperation in supporting regulatory capacity building in key production countries and in establishing fair and shared remediation mechanisms. Another Japanese civil society representative highlighted the ongoing revision of Japan's National **Action Plan on Business and Human Rights** and noted that the omnibus package of the EU should not undermine its original policy objectives. She also proposed, for effective implementation of CSRD, to discuss in future JDCS meetings the issues of first, a smart mix and policy coherence to build capacities and enabling environments, second, an inclusive approach involving third countries to ensure responsible value chain, and third, the root causes of human rights and environmental issues.

#### SUMMARY AND CONCLUSIONS

The moderator thanked for the in-depth discussions, summarizing the main points brought up.

The EU co-chair confirmed that the points discussed would help shape the agenda of the Committee on Trade and Sustainable Development for later this year. The Japan co-chair noted that while some responses to issues raised were given in the meeting itself others will necessitate policy responses or further research. Both sides expressed their appreciation for the workshops the following day, namely the workshop on the ex-post evaluation of the impact of EU FTAs on key environmental aspects and the workshop on AI's impact on the workplace and employment and as a driver for growth and competitiveness.

# **EU-JAPAN ECONOMIC PARTNERSHIP AGREEMENT (EPA)**

## **TRADE AND SUSTAINABLE DEVELOPMENT 6<sup>TH</sup> JOINT DIALOGUE WITH CIVIL SOCIETY**

**23 JUNE 2025**

**9:00 - 13:00 BRUSSELS (16:00-20:00 TOKYO)**

VENUE: BRUSSELS, EUROPEAN ECONOMIC AND SOCIAL COMMITTEE

### **AGENDA**

- 1. OPENING REMARKS BY THE MODERATOR**
- 2. OPENING STATEMENTS BY THE REPRESENTATIVES OF THE GOVERNMENT OF JAPAN AND THE EUROPEAN COMMISSION**
- 3. STATEMENT BY THE PARTICIPANTS OF THE CIVIL SOCIETIES**
- 4. EXCHANGE OF VIEWS ON TRADE AND SUSTAINABLE DEVELOPMENT:**
  - TRADE AND ENVIRONMENT, INCLUDING TRADE AND CLIMATE ACTION**

Topics for discussion:

- *Green shipping corridors and the link to a just transition*
- *EU-Japan Green Alliance*
- *The stance of the Japanese business community on Trade, Environment and EU-CBAM*
- *The approach to public burden sharing towards GX*
- *Improvements to GXETS and Challenges in Mass Balance of Steel Products*

## ■ **TRADE AND LABOUR**

Topics for discussion:

- *Upholding high labour standards and the effective implementation of ILO conventions*
- *Ratification and compliance with C111, some country examples*
- *Challenges Japan Faces in Ratifying and Implementing the ILO Core Conventions*

## ■ **CROSS-CUTTING ASPECTS OF TRADE AND SUSTAINABLE DEVELOPMENT**

Topics for discussion:

- ✓ *Latest developments and reactions on Responsible Business Conduct/CSDDD implementation and the Omnibus package*
- *Building Capacity and Enabling Environments for Responsible Business Conduct in Global Supply Chains*

## **5. SUMMARY AND CONCLUSIONS**

# **JAPAN-EU ECONOMIC PARTNERSHIP AGREEMENT (EPA)**

## **TRADE AND SUSTAINABLE DEVELOPMENT 6TH JOINT DIALOGUE WITH CIVIL SOCIETY**

**23 JUNE 2025**

### **LIST OF PARTICIPATING CIVIL SOCIETY ORGANISATIONS**

#### **EUROPEAN UNION**

European Economic and Social Committee (EESC) (DAG)

European Trade Union Federations (ETUC) (DAG)

Eurochambers (DAG)

AMFORI (DAG)

European Business Council in Japan (EBC) (DAG)

Euromontana (DAG)

Eurogroup for Animals (DAG)

#### **JAPAN**

Japanese Trade Union Confederation (JTUC-RENGO)

Japan Business Federation (KEIDANREN)

WWF Japan and a Member of Central Environment Council (DAG)

Global Compact Research Center, Japan

Japan Business Council in Europe (JBCE)

Japan Center for a Sustainable Environment and Society (JACSES)