

Tanja Buzek

**6th Joint Dialogue with
Civil Society
under the EU-Japan EPA
Brussels, 23 June 2025**

**European Transport Workers' Federation (ETF)
Member of the EU DAG**





Green shipping corridors
and the link to a
JUST TRANSITION



SHIPPING NEEDS **STRUCTURAL CHANGE**

Global shipping is responsible for the movement of 90% of world trade and currently accounts for nearly 3% of global GHG emissions



Green shipping corridors

Green shipping corridors are zero-emission routes linking two or more ports. The main objective is to establish at least six green corridors by 2025.

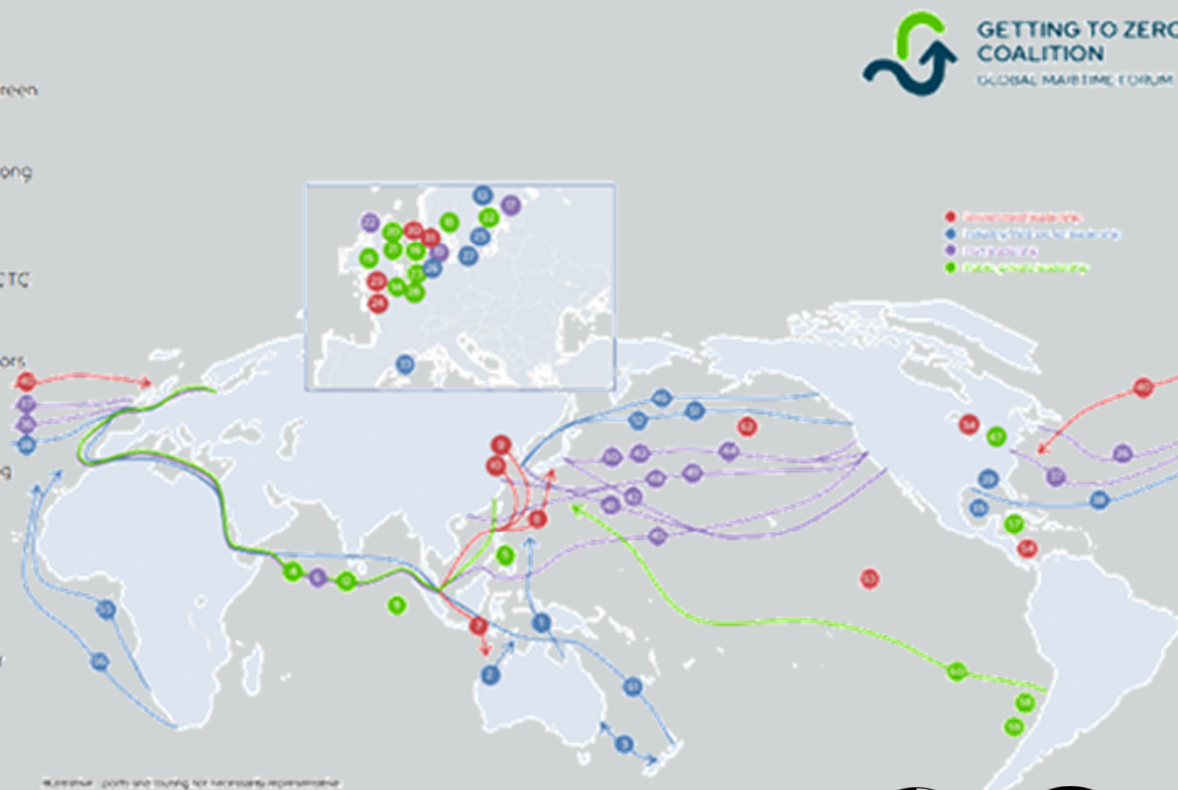


Japan and a number of EU countries among 22 signatories at COP26 in 2021

1. Australia-Bauxite
2. Australia-East Asia Iron Ore
3. Australia-New Zealand
4. Hamburg-Shanghai
5. Philippines Corridors
6. Rotterdam-Singapore GDSC
7. Singapore-Australia GDSC
8. Singapore-Japan GDSC
9. Singapore-Shandong
10. Singapore-Tianjin GDSC
11. The Silk Alliance
12. UK-Singapore-ASEAN
13. Åland Mega Green Port
14. Dover-Calais/Dunkirk Ferry
15. Dublin-Holyhead
16. Esbjerg-Immingham
17. FIN-EST
18. Gothenburg-Frederikshavn Pilot Study
19. Gothenburg-Rotterdam
20. Larni-Liverpool
21. Liverpool-Belfast
22. Northwestern England-Ireland
23. Oslo-Rotterdam Pilot Study
24. St-Helier-St-Malo

25. Stockholm-Åbo
26. Sweden-Belgium
27. Trelleborg-Lubeck
28. Tyne-Jmuiden
29. UK-Belgium
30. UK-Denmark
31. UK-Norway
32. Vaasa-Umea
33. West Mediterranean Cruise
34. Great Lakes Iron Ore
35. Gulf of Mexico Green Shipping Corridor
36. Halifax-Hamburg
37. Ireland-to-Indiana container
38. Port of Houston-Port of Antwerp-Bruges
39. US Green Bulk
40. US-UK Green Shipping Corridors Taskforce
41. Hueneme-Pyeongtaek Green Automotive
42. Hueneme-Yokohama Green Automotive
43. LA-Nagoya
44. LA-Yokohama

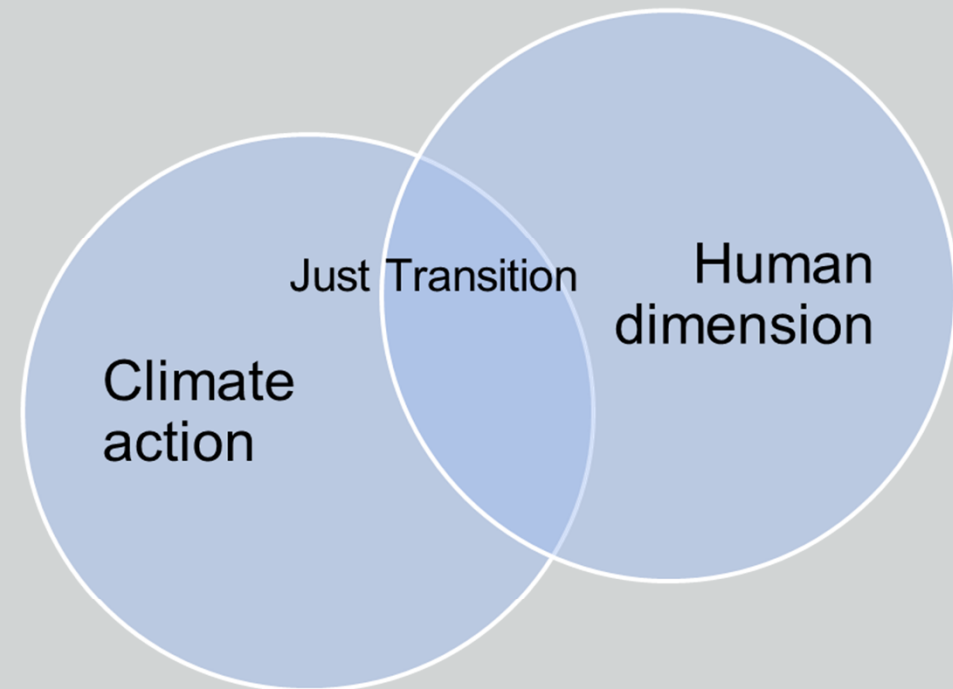
45. Los Angeles/Long Beach-Singapore GDSC
46. North Pacific Green Corridor Consortium
47. Pacific Northwest to Alaska Green Corridor
48. LA-Guangzhou
49. Port of Los Angeles-Port of Long Beach-Port of Shanghai
50. Port of Oakland-Yokohama
51. Seattle and Tacoma-Busan
52. Seattle and Tacoma-Korea PCTC
53. US and Pacific Blue Shipping Partnership Green Corridors
54. US and Panama Green Corridors
55. Namibia Corridors
56. South Africa-Europe Iron Ore Corridor
57. The Caribbean Green Shipping Corridor Initiative
58. Chile Piscicultura
59. Chile Sulfuric Acid
60. Chile-Japan/Korea copper concentrate
61. Tauranga-Zeebrugge
62. West Green Shipping Corridor



A Just Transition is a **people-centred** approach to addressing the climate emergency


A Just Transition means greening the economy in a way that is as fair and inclusive as possible to everyone concerned, **creating decent work and leaving no one behind.**

It maximizes the social and economic opportunities of climate action, while carefully managing any challenges – including through **effective social dialogue** and **respect for fundamental labour rights.**



... in line with the ILO 2015 Just Transition guidelines





For seafarers it means a **health and safety first**, human-centered design, training and safe crewing

For the industry structural change means a **regulated and planned transition** that means we stick to 1.5 degrees Celsius temperature increase

Thinking about the **entire shipping supply chain as a whole** – everything from bunkering infrastructure to the renewable energy needed and energy systems around the world

It means **equity on all levels**: actively expanding the number of women in seafaring and ensuring that the transition benefits and does not come at the cost of countries in the Global South



ITF

Moving the
World
Forward



MARITIME JUST TRANSITION **TASKFORCE**

A choice to lead by example

WWW.ITFGLOBAL.ORG



The Maritime Just Transition Task Force was formed at COP 26 to ensure that shipping's response to the climate emergency puts **seafarers** and **communities** at the heart of the solution



Overview of 10-Point Action Plan

Fundamental just transition principles



Global labour standards



Gender and diversity



Health and safety



Establish consensus to unlock training

Recruitment and attrition



Support seafarer career pathways



Address attrition and recruitment

Skills and training



Investing in skills



Strengthening global training standards



Delivering fair training



Monitoring skills

Conclusions for the Joint Dialogue



Green corridors to promote a **Just transition** by **anticipating change through social dialogue** as lead by the Maritime Just Transition Taskforce

Promoting and supporting any **interaction body on climate change with a strong Maritime workers' voice**

Importance and added value of more **cooperation of the Parties in international fora** beyond their bilateral work



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World
Forward

WE MOVE THE
WORLD
Seafarers

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EU – JAPAN GREEN ALLIANCE

BRUSSELS, JUNE 2025

Background

- ▶ Japan is one of the EU's closest international partners, with deep diplomatic and economic ties.
- ▶ The EU and Japan face global challenges such as climate change and environmental degradation. To address these challenges, the EU and Japan launched the Green Alliance in 2021, the first bilateral initiative of its kind between the EU and a partner country.
- ▶ **The EU-Japan Green Alliance** was launched at the 27th EU-Japan Summit held on 27 May 2021.
- ▶ The EC and the Government of Japan are determined to move towards climate neutral and resilient, biodiversity-friendly, circular and resource efficient economies, and to promote implementation of the Paris Agreement worldwide.
- ▶ Cooperation between the EU and Japan based on the Alliance has taken place since 2021 in several areas of green transition including: energy transition, environmental protection, business and trade cooperation, research and development, sustainable finance, transition support for third countries, global integrity and stability of climate action, cooperation on climate strategies and modelling, decarbonisation at local/urban level, and civil society and citizens' action and empowerment.
- ▶ **The EU-Japan Green Alliance Facility** was established by the EU in June 2024 to support the development and implementation of various Alliance activities. The Facility is managed by a consortium of adelphi (Germany), AETS (France) and the Institute for Global Environmental Strategies (Japan) and the project team is led by Tomoo Machiba (Zeroboard Research Institute).

Support Facility for the implementation of the EU Japan Green Alliance

- ▶ This four-year project by the EU Directorate-General for "Services for Foreign Policy Instruments" (FPI) supports the implementation of the Green Alliance through technical advice, capacity building, and operational support in seven key areas:
- ▶ **Climate and Environmental Diplomacy:** Strengthening EU/Member States in Japan (Team Europe)
- ▶ **Energy Transition:** Intensified EU-Japan cooperation.
- ▶ **Climate Policy:** Exchange on carbon pricing and policy development.
- ▶ **Regulatory Cooperation:** Promoting low-carbon technologies and environmental protection.
- ▶ **Research and Development:** Supporting the green transition.
- ▶ **Sustainable Finance:** Cooperation on green financing.
- ▶ **Smart Cities:** Exchange of best practices on green innovations.

Recent Activities

February 2025:

- ▶ The 2nd High-Level Dialogue on Climate Change was held in Tokyo, with both sides agreeing to strengthen cooperation on climate neutrality.

Ongoing:

- ▶ The EU-Japan Green Alliance Facility is supporting various projects and initiatives related to the green transition.

Ongoing:

- ▶ The [EU-Japan Centre for Industrial Cooperation](#) is organizing events like the Green Business Mission in Japan, facilitating business partnerships between European and Japanese companies in the green sector.

May 2025:

- ▶ The EU-Japan 100 Cities Event on Climate Action will take place, focusing on climate action in urban areas.
- ▶ Overall, the EU-Japan Green Alliance is actively working towards a sustainable and green future through various initiatives and collaborations.

EU-Japan 100 Cities Event on Climate Action

- ▶ The EU-Japan 100 Cities Event on Climate Action is a series of events aimed at fostering collaboration between European and Japanese cities to achieve climate neutrality. These events facilitate the sharing of best practices and solutions for tackling climate change, with a focus on local action. The event series is organized by the Delegation of the European Union to Japan and the [Institute for Global Environmental Strategies \(IGES\)](#).
- ▶ The event series includes various workshops, expert sessions, and high-level dialogues, covering topics like energy transitions, policy, finance, and collaborations with cities in Ukraine. The events also highlight key collaborations and initiatives, such as the EU's [100 Climate-Neutral and Smart Cities Mission](#). The 2025 event is part of a broader effort to support cities in their transition to climate neutrality by 2030 and beyond.
- ▶ A key aspect of the event is the emphasis on local action and the role of cities as experimentation and innovation hubs. The events aim to bring together various stakeholders, including citizens, academia, and businesses, to implement transformative processes and innovative actions. The ultimate goal is to share lessons learned and accelerate the transition to a climate-neutral future.



THANK
YOU

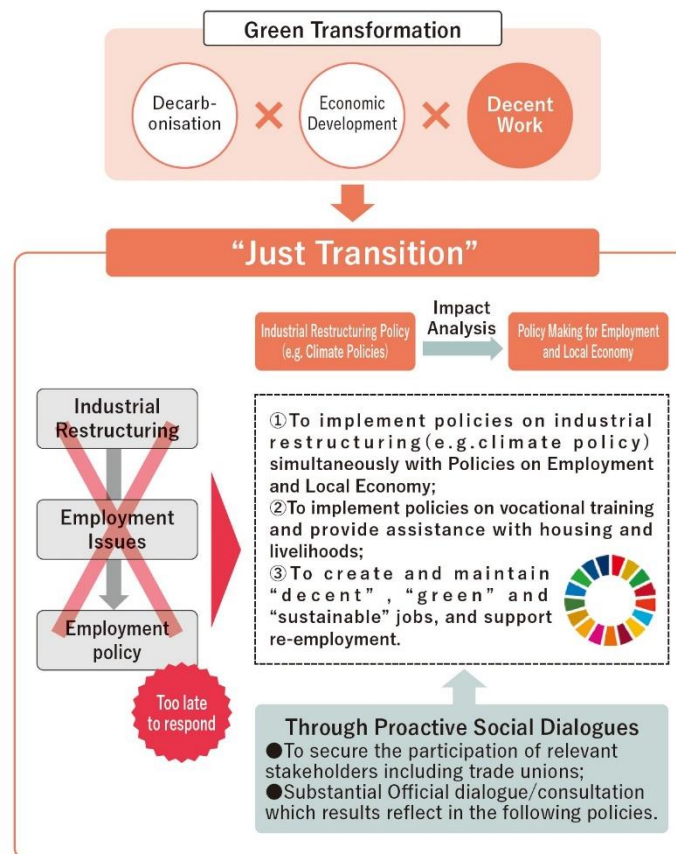


The approach to public burden sharing toward GX

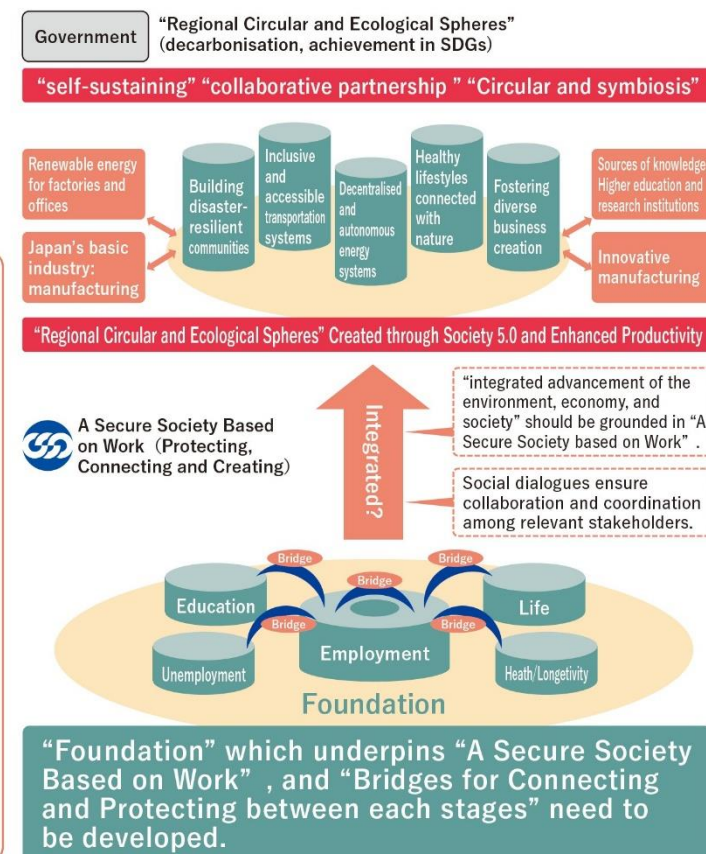
Tamayo Tomita
Executive Director, Department of Policy
Japanese Trade Union Confederation (RENGO)

RENGO Policy : Carbon Neutral 2050

- Based on the principles of the SDGs, policy development will proceed by accounting for innovation and uncertainties of socio-economic landscape, enhancing predictability while maintaining multiple scenarios and options, and working toward consensus through inclusive and deliberative social dialogues.
- In considering and implementing related policies, proactive social dialogues with relevant stakeholders including trade unions, should be conducted in order to minimise the negative impacts of industrial restructuring such as energy transitions on the economy, society, and employment, thereby realising “Just Transition”.



Source: RENG0



Source: RENG0

Government of Japan : GX2040 Vision

The GX2040 Vision aims to enhance investment predictability toward the realization of Green Transformation (GX) by setting strategic directions for GX-related industrial location and industrial structure. It also addresses "just transition," stating that necessary measures—such as facilitating labour mobility into newly emerging industries. (Cabinet decision in Feb 2025)

1. Overall picture of the GX2040 Vision

2. GX Industrial structure

3. GX Industrial Location

4. Importance of Realistic Transition and to Global Decarbonisation

5. Initiatives in Specific Areas to Accelerate GX

6. Pro-Growth Carbon Pricing Concept

7. Just Transition

In promoting GX, take needed actions such as promoting labour mobility to new industries for a just transition.

8. Progress and Review of GX Policy Implementation

A bill, which is an amendment of GX promotion Act and defines the institutional framework of the concept was passed by the ordinary session of the Diet in 2025.

- Full operation of Emission Trading System(starting from FY2026)
 - Companies with direct emission of 100,000 tons or more CO2 must participate, regardless of industry.
 - Allocate free emission allowance to companies based on industry characteristics.
 - Establish price floors/ceiling for emissions allowances to ensure predictability.
- Introduction of GX surcharge (fossil fuel levy) (starting from FY2028)
 - Establish measures for smooth and effective implementation.

RENGO Policy : Basic Concept for Emission Trading System

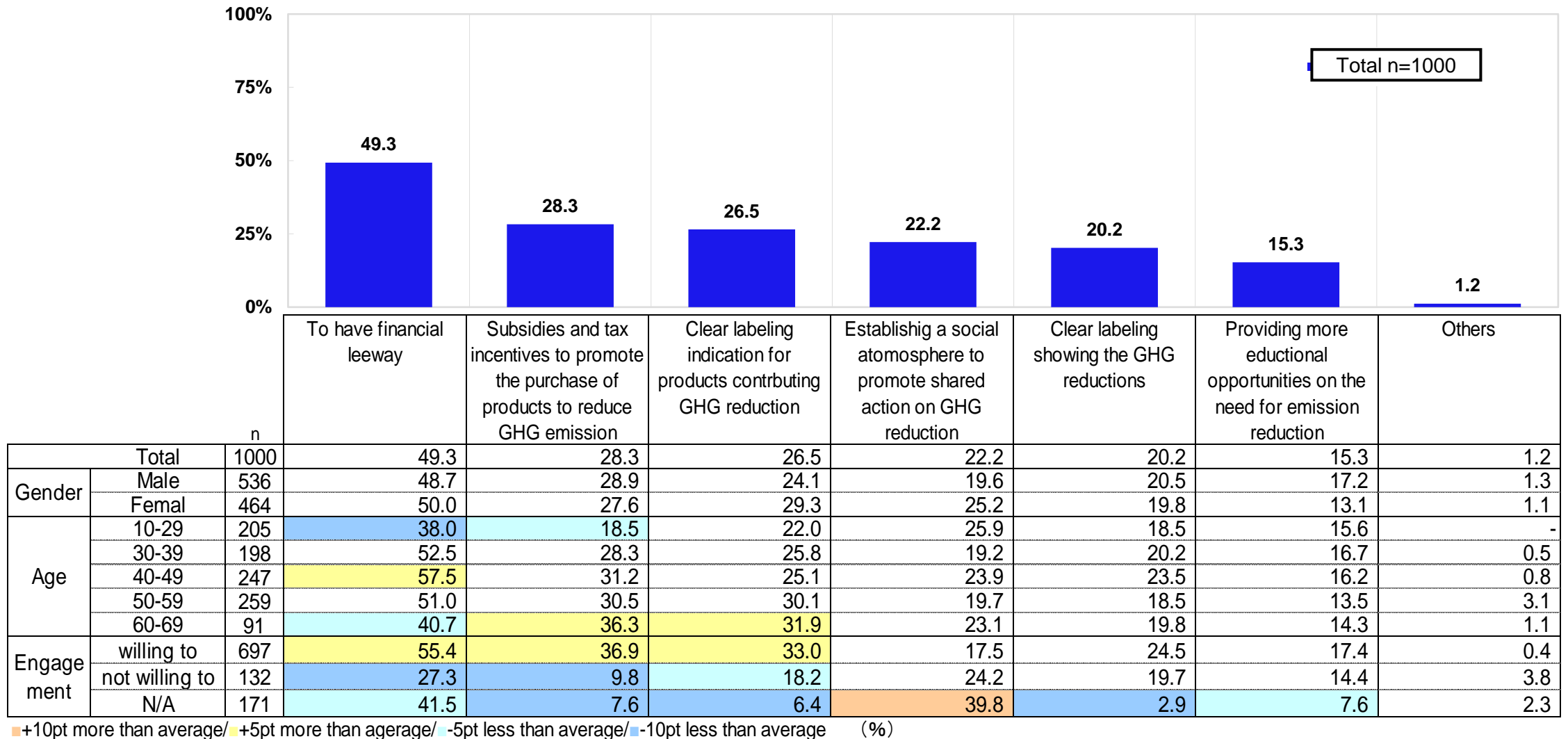
- In designing a concrete framework for “Pro-Growth Carbon Pricing Concept”, the process should be grounded in principle of “S+3E” (Safety, Energy Security, Economic Efficiency, and Environmental Protection). In order not only to ensure industrial competitiveness, but also to minimise negative impacts on employment and wages by fully incorporating the concept of Just Transition. To this end, the burden associated with the decarbonisation transition should be broadly shared by the general public, who will also benefit from the outcomes, rather than being borne solely by specific industries. Careful and inclusive dialogues are essential to this process.
- As concrete investment and support measures are identified, and medium and long term policy framework is shaped, the government must take responsibility and take the lead in providing sufficient explanations to citizens, businesses and local governments, and then work for building public consensus.

RENGO Policy :Burden sharing toward Green Transformation

- The vision for society that Japan aims to achieve through carbon neutrality is to establish “a sustainable socio-economic system, that ensures the well-being of the people who live there”. Based on this vision, the additional burden of Green Transformation (GX) should be borne not only the specific business sectors or enterprises, but also appropriately shared by consumers.
- To foster public understandings of such burden, the government needs to take lead, and to develop the policies on:
 - Implementing the consumer education for diverse demographic groups,
 - Developing labelling and system that helps consumers to identify carbon-neutral products,
 - Considering subsidies and tax incentives to promote energy efficient appliances and high-efficiency heating systems and
- Then public consensus should be made through proactive advocacy and sufficient communication for citizens, businesses and local governments.

RENGO Survey for Carbon Neutral (1)

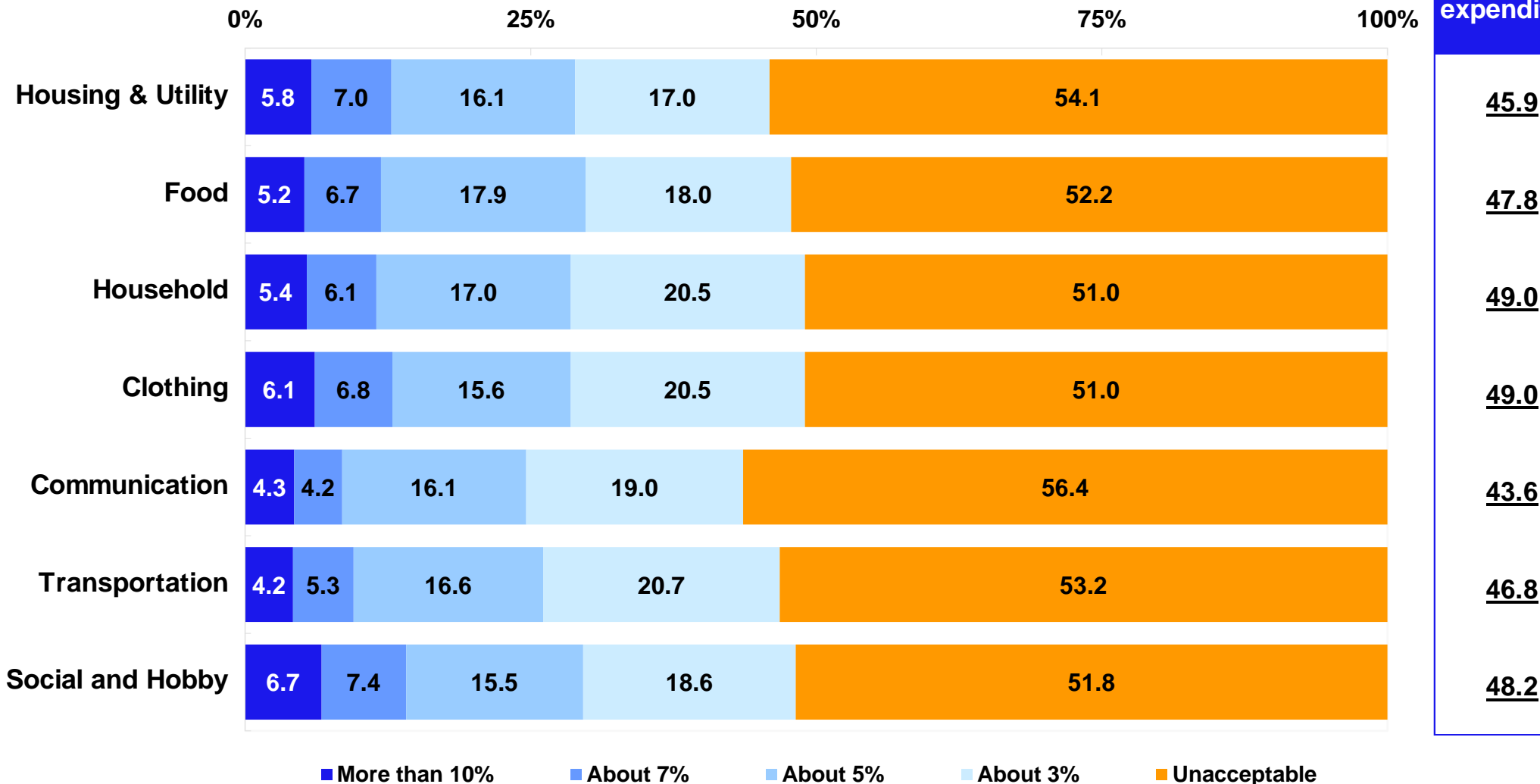
Q. What would be necessary for you to place greater importance on the GHG reduction effects of products when making a purchase?
(Multiple answers allowed)



RENGO Survey for Carbon Neutral (2)

Q. To what extent are you willing to accept additional expenses in areas such as clothing, food, housing, and transportation toward carbon neutrality? (Single-answer format)

Acceptable
to higher
expenditure



Masako Konishi

WWF Japan, Expert Director (Conservation & Energy)

Member of the Board, TOHO Bank

Graduate school of Showa Women's University, Specially Appointed Professor

Ph.D.in Social Governance (Hosei University,2018)

MPA focusing on Environmental Policies (Harvard University,2005)

Certified Meteorologist

Resume

- Worked as TV presenter and reporter for CBC, NHK, CNN for fifteen years
- Attending UN climate COPs since 2005, engaging climate and energy research and advocacy work at WWF, and universities.
- Member of the Central Environment Council of the Ministry of Environment

Books and Papers

- 『気候変動政策をメディア議題に』著（ミネルヴァ書房2022）
- 『地球温暖化を解決したい エネルギーをどう選ぶ？』著（岩波書店2021）
- Routledge Handbook of Environmental Journalism, Part IV: Environmental Coverage in Asia and Australia; 25. The status and Future of Environmental Journalism in Japan, 2020
- The impact of Global NGOs on Japanese Press Coverage of Climate Negotiations: An analysis of the new “Background Media Strategy” *Environmental Communication*, DOI:<https://doi.org/10.1080/17524032.2017.1308403>, 2017



1. GX ETS (Japanese ETS) will start in 2026 as real compulsory scheme for the first time in Japan!

- Finally, Japan decided to implement compulsory Emission Trading Scheme from 2026 and Auction system for power sector from 2033.
- Fuel surcharge (carbon surcharge) is planned to be implemented from 2028.
- Upfront investment support totaling 20 trillion yen, utilizing financial instruments such as GX Economic Transition Bonds.

Good news, but questions remain if this is comparable to other compulsory ETS in other areas, and if the level playing field is ensured among countries.

Can GX law achieve the necessary level of total emissions reduction?



脱炭素成長型経済構造への円滑な移行の推進に関する法律及び 資源の有効な利用の促進に関する法律の一部を改正する法律案の概要

※脱炭素成長型経済構造への円滑な移行の推進に関する法律（GX推進法）、資源の有効な利用の促進に関する法律（資源法）

背景・法律の概要

- ✓ 2023年度成立の「脱炭素成長型経済構造への円滑な移行の推進に関する法律」に基づき、我が国では、2050年カーボンニュートラルの実現と経済成長の両立（GX）を実現するための施策として、成長志向型カーボンライジング構想の具体化を進めているところ。
- ✓ 脱炭素成長型の経済構造への円滑な移行を推進するため、（１）排出量取引制度の法定化、（２）資源循環強化のための制度の新設、（３）化石燃料賦課金の徴収に係る措置の具体化、（４）GX分野への財政支援の整備を行う。

（１）排出量取引制度（GX推進法）

- ① 一定の排出規模以上の事業者の参加義務づけ
 - ・ 二酸化炭素の直接排出量が一定規模（10万トン）以上の事業者の参加義務化。
- ② 排出枠の無償割当て（全量無償割当て）
 - ・ トランジション期にある事業者の状況を踏まえ、業種特性も考慮した政府指針に基づき排出枠を無償割当て。割当てに当たっては、製造拠点の国外移転リスク、GX関連の研究開発の実施状況、設備の新増設・廃止等の事項も一定の範囲で勘案。
 - ・ 割り当てられた排出枠を実際の排出量が超過した事業者は排出枠の調達が必要。排出削減が進み余剰が生じた事業者は排出枠の売却・繰越しを可能とする。
- ③ 排出枠取引市場
 - ・ 排出枠取引の円滑化と適正な価格形成のため、GX推進機構が排出枠取引市場を運営。
 - ・ 金融機関等の制度対象者以外の事業者も一定の基準を満たせば取引市場への参加を可能とする。
- ④ 価格安定化措置
 - ・ 事業者の投資判断のための予見可能性の向上と国民経済への過度な影響の防止等のため、排出枠の上下限価格を設定。
 - ・ 価格高騰時には、事業者が一定価格を支払うことで償却したものとみなす措置を導入。
 - ・ 価格低迷時には、GX推進機構による排出枠の買支え等に対応。
- ⑤ 移行計画の策定
 - ・ 対象事業者に対して、中長期の排出削減目標や、その達成のための取組を記載した計画の策定・提出を求める。

※排出量取引制度を基礎として、2033年度より特定事業者負担金の徴収を開始する。

（２）資源循環の強化（資源法・GX推進法）

- ① 再生資源の利用義務化
 - ・ 脱炭素化の促進のため、再生材の利用義務を課す製品を特定し、当該製品の製造事業者等に対して、再生材の利用に関する計画の提出及び定期報告を義務付け。
 - ・ GX推進機構は、当該計画の作成に関し、必要な助言を実施。
- ② 環境配慮設計の促進
 - ・ 資源有効利用・脱炭素化の促進の観点から、特に優れた環境配慮設計（解体・分別しやすい設計、長寿命化につながる設計）の認定制度を創設。
 - ・ 認定製品はその旨の表示、リサイクル設備投資への金融支援など、認定事業者に対する特例を措置。
- ③ GXに必要な原材料等の再資源化の促進
 - ・ 高い回収目標等を掲げて認定を受けたメーカー等に対し廃棄物処理法の特例（適正処理の遵守を前提として業許可不要）を講じ、回収・再資源化のインセンティブを付与。
- ④ C E コマースの促進
 - ・ シェアリング等のC E コマース事業者の類型を新たに位置づけ、当該事業者に対し資源の有効利用等の観点から満たすべき基準を設定。

（３）化石燃料賦課金の徴収（GX推進法）

- ・ 2028年度より開始する化石燃料賦課金の執行のために必要な支払期限・滞納処分・国内で使用しない燃料への減免等の技術的事項を整備する。

（４）財政支援（GX推進法）

- ・ 脱炭素成長型経済構造移行債の発行収入により、戦略税制のうち、GX分野の物資に係る税額控除に伴う一般会計の減収補填をする。

1. No mention of alignment with the NDC/1.5° C target. Full grandfathering allocation, with consideration of sector-specific characteristics. It is likely a benchmark-based approach.
2. Price Stabilization Measures. Upper and lower price limits for emission allowances will be set. The possible carbon price will be estimated around 2100~2800 yen in average. (source: IEE Japan)
3. It is possible to achieve the targets through the procurement of emission allowances, and there are currently no limits on the use of carbon credits.

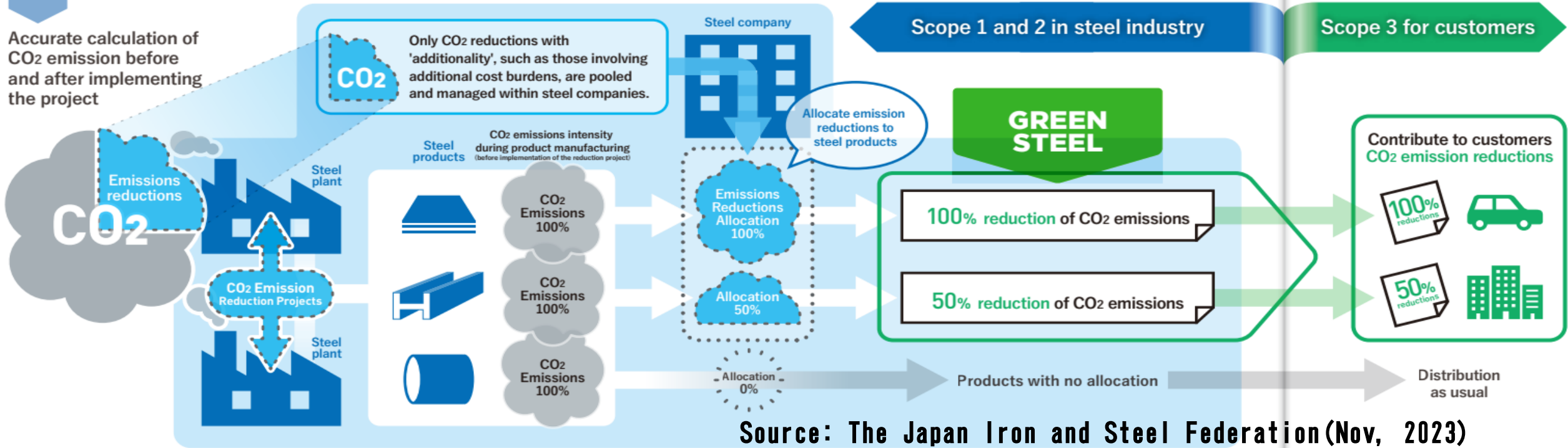
出典：経済産業省「脱炭素成長型経済構造への円滑な移行の推進に関する法律及び資源の有効な利用の促進に関する法律の一部を改正する法律案」に筆者加筆

<https://www.meti.go.jp/press/2024/02/20250225001/20250225001.html>

2. Mass Balance Approach Promoted by Japan's Steel Industry

Concept: Steel mass balance approach

GREEN STEEL
UPON THE APPLICATION OF
THE MASS BALANCE APPROACH



Steps of Mass Balance Approach Promoted by Japan's Steel Industry

1. Calculate the CO₂ emissions intensity of the product (before reduction).
2. Identify CO₂ emission reduction projects, calculate the reductions, and consolidate them within the company.
3. Certify the total amount of reduction and put the certificates to certain products in the company.

Three Questions to the Mass Balance Approach

1. Mass Balance Products Do Not Necessarily Indicate High Environmental Performance

In a scheme where the emissions of a particular product are virtually lowered by certificates issued by the manufacturer, it is not known whether the final CO₂ emissions of that product will be lower than the other products on the market.

2. Without Low-Carbon Standards Based on Actual Product Emissions (CFP), Environmental Performance Cannot Be Assessed

To advance the decarbonization of the steel industry, it is essential to:

1. Promote the widespread and rigorous disclosure of CFP for each product.
2. Establish criteria to evaluate and certify which products qualify as low-carbon.
3. Gradually raise these criteria over time.

This straightforward approach has not yet been adopted.

3. The Rules for Mass Balance Products Require Examination and Discussion

1. Lack of traceability and institutional transparency to reduction actions and projects within the company.
2. GHGP and SBTi are currently discussing whether Mass Balance products can reduce Scope3 emissions for purchasers.
3. If mass balance steel is labelled as “carbon zero/green steel”, it is misleading. (potential greenwashing?)



EU-Japan Economic Partnership Agreement (EPA)

6th Joint Dialogue with Civil Society
Trade and Sustainable Development

📍 Brussels, 23 June 2025

🕒 9:00–13:00 (16:00–20:00 Tokyo)

Main topic and background

Trade and Labour:

- ✓ Upholding high labour standards
- ✓ Effective implementation of ILO Conventions

- EPA in force since February 2019
- Japan has reported progress on ILO Convention ratification
- Focus: not just ratification but real implementation

- EPA Article 16.3



“Each Party shall make continued and sustained efforts on its own initiative to pursue ratification of the fundamental ILO Conventions and other ILO Conventions which each Party considers appropriate to ratify”

Fundamental ILO Conventions: the ILO CAS cases C87 and C98

- Labour rights of Japan's public service employees
- Restrictions from 1948 still in place
- Violations of ILO Conventions 87 and 98
- No meaningful reform after 77 years

In Japan, the legislation still maintains restrictions on the basic trade union rights of public employees that are incompatible with principles of freedom of association and collective bargaining, including firefighters, prison staff, and civil servants

Reports by:

-  Committee of Experts on the Application of Conventions and Recommendations
-  Committee on Freedom of Association

Conclusion



Under EPA Articles 16.15 & 16.16



EU DAG calls for:

- sound and steady implementation of ratified conventions
- fully respect ILO monitoring body reports and recommendations



Full implementation of core labour rights is a cornerstone of the EPA's credibility



Ongoing dialogue and international supervision remain essential tools



EU Domestic Advisory Group
under the EU-Japan Economic
Partnership Agreement



Ratification and compliance with C111 Some country examples

Brussels, 24 June 2025

Erika Koller
Member of the EESC
Vice- Chair of the EU Japan DAG



EU Domestic Advisory Group
under the EU-Japan Economic
Partnership Agreement

ILO Convention 111 concerning Discrimination in Respect of Employment and Occupation

The Discrimination Convention is an anti-discrimination convention which addresses discrimination based on race, sex, political opinion, or religion.

It is one of eight fundamental ILO conventions on the protection of labour standards.



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Partnership Agreement

The primary obligation of States that have ratified Convention No. 111 is to declare and pursue a national equality policy, “by methods appropriate to national conditions and practice” and to seek the co-operation of employers’ and workers’ organisations and other appropriate bodies



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Partnership Agreement

The present situation

- The European Commission states that, one of the reasons of Japan's hesitation to ratify C.111 relates to the restrictions it has, in its National Public Service Act (section 102), for civil servants to voice their political opinions.
- There have been discussions and consultations with social partners regarding ratification, but further study is needed to assess the alignment of C111 with Japanese laws.
- Trade unions call for ratification



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Recent comments of the ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR) on discrimination based on political opinion

Romania

The Committee recalled that, under *Article 1(2)*, political opinion may be considered as an inherent requirement of a particular position involving special responsibilities in relation to developing government policy, which is not the case of section 54(j) given that it applies to any state civil service position, whatever the level of responsibility.



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Latvia

The Committee took note of the Government's understandable concerns over state security and again highlighted that the Law applied to any state civil service position, regardless of the level of responsibility. It recalled that, to fall under the exception in *Article 1(2)* of the Convention, any limitations regarding access to employment must be required by the characteristics of the particular job, and in proportion to its inherent requirements.



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Partnership Agreement

Korea

In June 2023, the Government introduced three amendment bills to the State Public Officials Act (SPOA) to ease the prohibition of political activities by public officials. These amendments would have allowed public officials to join political parties and organizations but prohibited them from engaging in political activities using their public status. The Committee emphasized that political opinion could be a bona fide qualification for certain senior posts related to developing government policy. However, this did not apply to general public employment or certain other professions. Restrictions should not have exceeded certain limits, evaluated case by case.



EU Domestic Advisory Group
under the EU-Japan Economic
Partnership Agreement

Key aspects for Public Servants

Awareness and Education: Public servants should be aware of the provisions of ILO 111 and understand what constitutes discrimination in the workplace.

Policy Development: National policies should clearly outline the rights of public servants and establish procedures for addressing complaints of discrimination.

Training and Capacity Building: Public servants need training on identifying and preventing discrimination, as well as on handling complaints fairly and effectively.



EU Domestic Advisory Group
under the EU-Japan Economic
Partnership Agreement

Complaint Mechanisms: Clear and accessible mechanisms for reporting and resolving discrimination complaints should be in place, ensuring confidentiality and protection for those who come forward.

Monitoring and Evaluation: Regular monitoring and evaluation of the implementation of ILO 111 in the public service is essential to identify areas for improvement and ensure continued progress.

Promoting Diversity and Inclusion: Public service policies should actively promote diversity and inclusion in the workplace, creating an environment where all public servants feel valued and respected.



EU Domestic Advisory Group
under the EU-Japan Economic
Partnership Agreement

How to promote ILO Convention 111?

Focus on raising awareness, enacting relevant legislation, and fostering collaboration among stakeholders by partnering with employers' and workers' organizations, promoting educational programs, and ensuring that national policies and practices align with the Convention's principles.

Thank you for your attention!





～The Sixth Joint Dialogue with Civil Society under Chapter 16 of the Agreement
between the European Union and Japan for an Economic Partnership, Brussels, 23 June 2025～

Challenges Japan Faces in Ratifying and Implementing the ILO Core Conventions

Ryo SAITO

Executive Director, International Policy Department

JTUC-RENGO





The Japan-EU Economic Partnership Agreement (Excerpt)

Chapter 16 Trade and Sustainable Development

S1

Article 16.3 : International labour standards and conventions

1. The Parties recognise full and productive employment and decent work for all as key elements to respond to economic, labour and social challenges.
The Parties further recognise the importance of promoting the development of international trade in a way that is conducive to full and productive employment and decent work for all. In that context, the Parties shall exchange views and information on trade-related labour issues of mutual interest in the meetings of the Committee on Trade and Sustainable Development established pursuant to Article 22.3, and as appropriate in other fora.
2. **The Parties reaffirm their obligations deriving from the ILO membership.** The Parties further reaffirm their respective commitments with regard to the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up.
Accordingly, the Parties shall respect, promote and realise in their laws, regulations and practices the internationally recognised principles concerning the fundamental rights at work, which are:
 - * For the European Union, "ILO membership" means the ILO membership of the Member States of the European Union.
 - (a) the freedom of association and the effective recognition of the right to collective bargaining;**
 - (b) the elimination of all forms of forced or compulsory labour;
 - (c) the effective abolition of child labour; and
 - (d) the elimination of discrimination in respect of employment and occupation.**
3. **Each Party shall make continued and sustained efforts on its own initiative to pursue ratification of the fundamental ILO Conventions and other ILO Conventions which each Party considers appropriate to ratify.**
4. **The Parties shall exchange information on their respective situations as regards the ratification of ILO Conventions and Protocols, including the fundamental ILO Conventions.**
5. **Each Party reaffirms its commitments to effectively implement in its laws, regulations and practices ILO Conventions ratified by Japan and the Member States of the European Union respectively.**
6. The Parties recognise that the violation of the internationally recognised principles concerning the fundamental rights at work referred to in paragraph 2 cannot be invoked or otherwise used as a legitimate comparative advantage, and that labour standards should not be used for protectionist trade purposes.



Article 16.17 : Government Consultations

- 1. In the event of disagreement between the Parties on any matter regarding the interpretation or application of this Chapter,** the Parties shall only have recourse to the procedures set out in this Article and Article 16.18.
The provisions of this Chapter shall not be subject to dispute settlement under Chapter 21.
2. A Party may request in writing consultations with the other Party on any matter concerning the interpretation and application of this Chapter. The Party requesting consultations shall set out the reasons for the request, including identification of the matter and an indication of its factual and legal basis, specifying the relevant provisions of this Chapter.
3. When a Party requests consultation pursuant to paragraph 2, the other Party shall reply promptly and enter into consultations with a view to reaching a mutually satisfactory resolution of the matter.
4. During consultations, each Party shall provide sufficient information to enable a full examination of the matter in question.
The Parties shall take into account the activities of the ILO and other relevant international organisations or bodies in which both Parties participate and, as may be required by the Parties on an ad hoc basis, may seek advice from those international organisations or bodies, or other experts.
The Parties shall discuss appropriate measures to be implemented, taking into account that advice.
5. If no solution is reached through the consultations held in accordance with paragraphs 2 to 4, the Committee shall be convened promptly on request of a Party to consider the matter in question.
6. The Parties shall ensure that the solutions reached through the consultations under this Article will be jointly made publicly available, unless the Parties agree otherwise.



ILO Convention 111-Prohibition of Discrimination, 1958

- The Convention 111 aims to eliminate discrimination based on seven factors—race, color, sex, religion, political opinion, national extraction, or social origin—as well as in matters related to employment and occupation.

Obligations of Countries That Have Ratified Convention 111:

Ratifying countries must establish clear national policies aimed at eliminating discrimination and promoting equal opportunities and fair treatment in employment and occupation.

They are required to:

- (1) Enact appropriate laws to ensure the adoption and compliance with these policies.**
- (2) Abolish incompatible provisions in laws and regulations, and review all administrative orders and conventions that contradict these policies.**





Challenges Japan Faces in Ratifying C111



Regarding the obligation outlined in previous slide **(1)**, **Japan's domestic legal restrictions are limited. Currently, the only prohibitions pertain to gender discrimination in job advertisements and hiring practices**

Regarding the obligation outlined in previous slide **(2)**, two key issues arise:

1. Provisions that differentiate (protect) based on gender—These regulations take into account physical and psychological differences in relation to hiring and labor conditions.*1
1. Provisions that differentiate (sanction) the expression of political views by public servants—These restrictions are intended to uphold the neutrality of administrative agencies.*2

*1 The Ministry of Health, Labour and Welfare aims to ensure that provisions designed to protect maternity do not pose issues in the application of C111.

*2 According to the Ministry of Health, Labour and Welfare, it has been confirmed that the United States, the United Kingdom, Germany, Canada, South Korea, and other countries also have certain restrictions. While the content and scope of these restrictions vary from country to country, many instances involve limitations on specific occupations (in the U.S. and U.K.) or particular actions and situations (in Germany and Canada).

National Diet of Japan (198th session)

Resolution concerning Japan's further contributions to the ILO on the commemoration of the centenary of its foundation

Acknowledging that the International Labour Organization (ILO) celebrates its 100th anniversary in 2019, we hereby

Reaffirm that since its foundation in 1919, in the aftermath of the First World War, the ILO, under the universal principles stipulated in the Preamble to its Constitution that “universal and lasting peace can be established only if it is based upon social justice”, has significantly contributed globally to the improvement of working conditions and the work environment, as well as to the establishment of fundamental rights at work through its efforts in discussing and adopting the International Labour Standards and delivering technical and development cooperation, all of which should be acknowledged to be historic milestones of the past 100 years,

Applaud the fact that the ILO, with 187 member states worldwide today, has established and institutionalised a unique tripartite structure which brings together representatives of governments, workers and employers for all decision-making and operation of the organization, and contributed to promoting tripartism in all its Member States, including Japan,

Recognize the fact that Japan, as one of the founding members of the ILO holding a titular seat in the ILO Governing Body as one of the states of chief industrial importance since 1954, has played a leading role in promoting ILO's activities, not only in Japan but also elsewhere in the world, and that our continued contribution is strongly expected by the international community,

Emphasize that “the ILO Declaration on Fundamental Principles and Rights at Work”, adopted in 1998, commits all Member States to respect and promote fundamental principles and rights at work in four categories, driving continuous international efforts toward ratifying and implementing the eight Fundamental Conventions corresponding to those principles, and that Japan, while having joined in this effort, **must make additional effort toward ratification of the remaining unratified Fundamental Conventions and to the sound and steady implementation of ratified Conventions**, And, welcome the fact that “Decent Work”, conceptualised in 1999 as a new strategic objective of the ILO, is now set as one of the SDGs (Sustainable Development Goals) adopted by the UN Sustainable Development Summit in 2015, we hereby reaffirm that Japan will make further contributions toward the efforts of the ILO in achieving Decent Work globally as well as domestically, setting the Decent Work agenda as one of the key targets of our on-going “Work Style Reform” programmes, in anticipation of the “Future of Work”, through tripartite efforts by government, workers and employers of Japan, leading the efforts of the international community.

In recognition that, as globalization and information-driven innovation will be accelerated, both in scale and speed, which inevitably change and diversify work styles and environments and increase the intra-/inter-national migration of workers in terms of size and complexity, the importance of the ILO and its basic principles, International Labour Standards, tripartism, and the Decent Work agenda will be increased, we, the Members of the House of Representatives, hereby reconfirm the leading roles of Japan to be played within the ILO, and express our commitment to make our utmost contributions to pursuing and achieving the principle and objectives of the ILO in cooperation with the member states throughout the world, leading to the development of the ILO in the next 100 years.

[Adopted at the Plenary Session of the House of Representatives of the National Diet of Japan on 26 June 2019]



Perspectives of ILO Parliamentarians on the Ratification of C111





- ★The current domestic legislation prohibits discrimination on seven grounds, but the only explicitly defined prohibition is sex discrimination. While sex discrimination is distinctly outlawed, existing laws and regulations effectively ensure compliance with the other requirements. Given this framework, ILO parliamentarians view the ratification of C111 as a viable step forward.
- ★Several observations have been made by the CEACR of the ILO.
It is possible to ratify a convention without necessarily having an explicit statute. Ratification itself can serve as a declaration of renewed commitment to this goal. Based on this understanding, the approval of the policy and compliance with the requirement to enact appropriate laws and regulations ensuring its acceptance and implementation are generally considered fulfilled.
- ★The key issue is the requirement to repeal all statutory provisions and amend administrative orders or practices that conflict with the policy. Under current domestic legislation, provisions that impose distinctions (sanctions) on restrictions related to the expression of political views by public officials remain in laws such as the National Public Service Act, the Local Public Service Act, and the Self-Defense Forces Act, among others. The Japanese government maintains that ratification will not be feasible unless these legal provisions are abolished and all relevant orders and practices are revised—without such changes, the ratification process cannot move forward.
- ★In other countries, public officials are recognized as individuals who hold human rights, including the fundamental right to express political opinions. This principle is universally accepted. However, Japan imposes restrictive measures that conflict with the purpose of the Convention. Furthermore, the Japanese government is unable to ratify the Convention in its current state, as it strictly evaluates existing provisions, including rules and regulations, making compliance difficult under current legal conditions.

ILO parliamentarians believe there may be a pathway to ratification within the framework of current Personnel Authority rules. However, such an approach could face challenges as a politically sensitive decision.

Challenges Japan Faces in Implementing C87

～Situation Regarding the Application of Fundamental Labor Rights to Public and Civil Service Personnel in the Republic of Korea and Japan～

Classification	 Republic of Korea			 Japan		
	Right to Organize	Collective Bargaining Right (Right to conclude a CBA)	Right to Engage in Industrial Action	Right to Organize	Collective Bargaining Right (Right to conclude a CBA)	Right to Engage in Industrial Action
General public service employees	○	○	×	○	△	×
Non-clerical public service employees	○	○	○	○	○	×
Educational public service employees	○	○	×	○	△	×
Firefighter Public service Employees	○	○	×	×	×	×
Prison officers	×	×	×	×	×	×

Note: The measure applying the right to organize and the collective bargaining right to the Republic of Korea's firefighter public service employees was enacted with related laws in December 2020. The △ mark in Japan's collective bargaining right indicates that the right to conclude a collective bargaining agreement is not included.



Challenges Japan Faces in Implementing C87

~Toward a Resolution of the Issue of Basic Labour Rights of Japanese Public Services Workers~



Conclusion of the 2024 CAS

The Committee took note of the oral and written information provided by the Government and the discussion that followed. The Committee noted the long-standing nature and the prior discussion of this case in the Committee, most recently in 2018. Taking into account the discussion, the Committee requested the Government, to consider, in line with the Convention and in consultation with employers' and workers' organizations:

- further improvements of the status and labour conditions of firefighters;
- what categories of prison officers are considered part of the police, thus exempted from the right to organize, and those categories that are not considered part of the police, and having the right to organize;
- with regard to public service employees:
 - **ensure that the National Personnel Authority (NPA) procedures guarantee effective, impartial and speedy conciliation and arbitration procedures;**
 - **continue to examine carefully the autonomous labour-employer relations system and seek solution to the various obstacles to it, in line with the Convention; and**
 - review the Local Public Service Act and any other related legislation to ensure that local public sector workers enjoy the rights and guarantees set out in the Convention.

The Committee requested the Government to submit a report to the Committee of Experts on progress achieved on all of the above matters by 1 September 2024.

**Summary of the 2024 Report of the Government of Japan:
"Convention concerning Freedom of Association and Protection of the Right to Organise (No. 87)"**

(i) Right to Organise of Firefighting Personnel

- In response to the conclusion of the 2018 ILO Conference Committee on the Application of Standards, the Ministry of Internal Affairs and Communications held the first regular consultation with the employees' side on January 18, 2019, and shared a recognition on a desired way of holding this consultation with the employees' side.
- It was confirmed that the consultation would continue after substantive discussions on the Fire Defense Personnel Committee system.

(ii) Right to Organise of Prison Officers

- In view of the purport of the ILO No. 87 Convention, Article 9, the prison officers are considered to be included in the "police" as mentioned in the same article.
- The personnel of penal institutions are not entitled to the right to organise. However, based on the observations on the report from the Committee of Experts on the Application of Conventions and Recommendations held in 2018, the GOJ newly created and expanded the opportunities for the personnel of penal institutions to express their own opinions on the working environment, etc. The GOJ is seeking to improve their workplace environment through various measures including those that are not stated above.

(iii) Basic Labour Rights of Japanese Public Service Employees

- The basic labour rights of the public service employees of Japan are restricted to some extent, due to the distinctive status as servants of all citizens and the public nature of the functions they should perform, in order to guarantee for all citizen's common interests. As a compensatory measure for these restrictions, neutral and third-party organizations such as the National Personnel Authority and Personnel Committees have been established to issue recommendations and implement other measures. The National Personnel Authority is effectively, impartially and speedily functioning as a compensatory measure for the restrictions on basic labour rights.
- With regards to measures for the autonomous labour-employer relations system, there are a wide range of issues that have yet to be understood by the public, making it necessary to continue careful considerations on these issues. This situation remains unchanged today. For this reason, the GOJ believes that the measures for an autonomous labour-employer relations system are issues that should be carefully examined while continuing to exchange opinions with employee organizations, etc. in Japan.

(iv) Local Public Service Employees

- The GOJ will carry out careful examinations regarding the basic labour rights of local public service employees, based on the examination of national civil service reform, listening to opinions of related organizations.

(v) Consultations with Social Partners

- **Taking advantage of the conclusions of the Committee on the Application of Standards in 2024, the GOJ will conduct a new exchange of opinions with domestic employers' and workers' organisations on issues related to the public service employee system. The GOJ continues to strive for further mutual understanding with social partners.**

**Summaries of the Japanese Government 2024 Annual Report and JTUC-RENGO's Views
on the Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)
(Related to consultation with social partners)**

Japanese Government's Annual Report	RENGO's Views
<p>The GOJ continues to carefully examine, in consultations with social partners, how to respond to the recommendations stated in the conclusions of the Committee on the Application of Standards. In addition, the GOJ has been consulting employers' and workers' organisations at the annual ILO Panel on various themes related to this report, including the autonomous labour-employer relations system.</p> <p><u>Furthermore, taking advantage of the conclusions of the Committee on the Application of Standards in 2024, the GOJ will conduct a new exchange of opinions with domestic employers' and workers' organisations on issues related to the public service employee system.</u> The GOJ continues to strive for further mutual understanding with social partners.</p> <p>The GOJ will continue to provide information in good faith to the ILO on our country's efforts.</p>	<p>With regard to the indication in the Annual Report of the Government of Japan that "the GOJ will conduct a new exchange of opinions with domestic employers' and workers' organisations on issues related to the public service employee system." as a response to the conclusion in the 2024 Conference Committee on the Application of Standards, <u>we intend to maintain vigilance over future developments, including whether or not the Japanese government will respond in good faith.</u></p> <p>In order to have the Japanese government realize the request in the 2024 Report of the Committee of Experts on the Application of Conventions and Recommendations ("the Committee is bound to urge the Government to take the necessary measures without further delay to define, <u>in consultation with the social partners concerned</u>, a time-bound plan of action to give effect to the recommendations of the Conference Committee."), <u>we strongly urge the Committee to clarify, at least, (1) the setting of a minimum of approximately a two-year limit for the formulation of the action plan, (2) the identity of the personnel in charge in the ministries of the Japanese government who are to be consulted with, and (3) that the "related social partner" is the Alliance of Public Services Workers Unions (KOMU-ROKYO), which consists of unions related to public service employees and is affiliated with JTUC-RENGO, is the party representing the labour side.</u></p>

<Views of Keidanren (Japan Business Federation)>

○ Based on the conclusions of the Committee on the Application of Standards in 2024, the Government of Japan has decided to continue to communicate with the social partners by conducting a new exchange of opinions with domestic employers' and workers' organisations on various issues related to the public service employee system, in addition to the annual ILO Panel which has been discussing these issues for some time. Keidanren commends these decisions and responses by the Government of Japan.

JTUC-RENGO

We regretfully clarify that in the first meeting, held on December 19, 2024, it was not possible to sense in the slightest degree that the Japanese government held a sincere attitude toward a resolution of the issues and that the meeting was nothing more than an opportunity for government, labor, and management to express their different perceptions.

To be more specific, firstly, the explanations and materials provided by relevant ministries merely reiterated the current situation of constraints and a unilateral justification on the part of the Japanese government, which had been found to have behaved improperly by the Committee on Freedom of Association and the Committee of Experts on the Application of Conventions and Recommendations.

Secondly, by bringing up topics such as securing human resources and measures against harassment, which were not matters of consideration in the CCAS conclusion, the government is attempting to avoid a discussion of the essential issue of basic labor rights.

Thirdly, although the CCAS conclusion requested “the government to consider, in consultation with employers’ and workers’ organizations, in accordance with the Convention,” the Japanese government regarded the meeting as a mere formality. This is also symbolized by the title of the meeting as “an exchange of opinions.”

JTUC-RENGO recognizes that the conclusion in the 2018 Conference Committee on the Application of Standards urging the Japanese government to “formulate, jointly with the social partners concerned, a time-bound plan of action to give effect to the recommendations of the Committee of Experts on the Application of Conventions and Recommendations” is the only and extremely important measure that will lead to the resolution of the issue.

Further, on this issue, the report of the 2025 Committee of Experts on the Application of Conventions and Recommendations, JTUC-RENGO urges the Committee on Freedom of Association to take especial steps to ensure that the Japanese government initiates prompt action, at least by including the formulation of a time-bound action plan as an agenda item at meetings with employers' and workers' organizations.

Toward a Resolution of the Issue of Basic Labour Rights of Japanese Public Services Workers

<L20 Summit 2024>

The 112th meeting of the ILO Conference Committee on the Application of Standards held an individual examination of Japan's Compliance with Convention No. 87 for the first time since 2018, as related to basic labour rights of Japan's public service employees. In the individual examination six years ago, the Norwegian government stated that "It is extremely important that the right to organise be given to all workers, and we urge the Government of Japan to take steps to continue social dialogue and work toward progress." In light of the background of the granting of the right to organise to firefighting personnel in the Republic of Korea, we recognise that further diplomatic pressure (for example, disputes regarding trade agreements) is necessary at the government level to correct the international intransigence revealed through this individual examination. JTUC-RENGO will not miss this opportunity and will make every possible effort to implement domestic and governmental countermeasures. However, the speakers and collaborators in this individual examination have offered their continued support, and we would like to ask for further understanding, support and cooperation from all countries.



<L7 Summit 2024> September 10, 2024 at UNAHOTELS T Hotel Cagliari, Italy

○ Session 1: "Strengthening of Democracy, Peace and the Rule of Law in the G7 and Other Countries"

JTUC-RENGO President Yoshino made remarks on JTUC-RENGO's efforts to abolish nuclear weapons and achieve lasting peace. In response, the Italian National Center strongly supported ITUC-RENGO's efforts to abolish nuclear weapons, with Secretary General Triangle saying, "I want to learn from and work with JTUC-RENGO's peace movement." President Yoshino also emphasized ILO Convention No. 87, particularly with regard to the issues involving the basic labour rights of Japan's public service employees, and called for further understanding and cooperation by national centers toward the early ratification of Convention No. 111. In response, Secretary General Triangle commented that "ITUC will continue to support JTUC-RENGO's efforts."



～The Sixth Joint Dialogue with Civil Society under Chapter 16 of the Agreement
between the European Union and Japan for an Economic Partnership, Brussels, 23 June 2025 ～

Thank you for your kind attention





EU-Japan EPA Trade and Sustainable Development 6th Joint Dialogue with Civil Society 23 June 2025

EU Corporate Sustainability Due Diligence Directive (CSDDD) – Update on proposed changes

Stuart Newman

What has happened?

- July 2024: Directive 2024/1760 (CSDDD) entered into force
- November 2024: Commission announced “simplification” omnibus
- 26 February 2025: first omnibus package released
- April: Council and EU Parliament pass “stop the clock” amendments
~~July 2027 = 5000+ and €1.5Bn (EU companies) / €1.5Bn (non-EU companies)~~
July 2028 = 3000+ and €900m (EU companies) / €900m (non-EU companies)
July 2029 = 1000+ and €450m (EU companies) / €450m (non-EU companies)
- Now: Council and EU Parliament considering all proposed amendments (and can propose additional changes)
- Draft Report from “rapporteur” of EU Parliament released (June)

What are the proposed changes?

Scope of value chain

Existing: [entire] Chain of activities (on risk-based approach)

Proposal: Tier 1 (direct suppliers) unless plausible information suggests risk in other tiers

- Many businesses have said that a risk-based approach is preferable
- Enforced DD on all companies within Tier 1 would be poor use of resources and would overburden suppliers
- Tier 1 will not find problems – such companies are either in the EU, or at factory level where problems are less likely than further in supply chain
- **Rapporteur has accepted the omnibus proposal but has also proposed that information must be “objective, factual and verifiable”**

What are the proposed changes?

SME restriction (when mapping chain of activity)

Existing: no restriction on size of company from whom information can be requested

Proposal: cannot ask supplier with fewer than 500 employees for information that goes beyond the VSME cap (unless the information cannot be obtained by other means)

- This restriction could result in vital information being missed
- Companies may stop doing business with smaller suppliers if they cannot obtain the required supply chain information
- **Rapporteur has proposed that companies should rely only on reasonably available information**

Administrative enforcement

Existing: penalties not less than 5% of global turnover

Proposal: Member States will set their own penalties

- **Rapporteur has accepted the omnibus proposal**

What are the proposed changes?

Stakeholder consultation (when conducting DD)

Existing: specifically includes: human rights/environmental institutions, and civil society

Proposal: removes these from scope

- Such stakeholders should remain within scope as they are vital sources of information
- **Rapporteur has accepted the omnibus proposal**

Monitoring of suppliers

Existing: annual monitoring

Proposal: every five years

- Annually, or every two years, is a good basis to ensure compliance – five years is too long
- **Rapporteur has accepted the omnibus proposal**

What are the proposed changes?

Contract termination

Existing: required to terminate relationship if cannot mitigate/remove adverse impact

Proposal: removes this (relationship can continue)

➤ **Rapporteur has accepted the omnibus proposal**

Financial Sector

Existing: not on scope, but to be reviewed after five years

Proposal: review deleted

➤ **Rapporteur has accepted the omnibus proposal**

Rapporteur proposals (to existing text)

Any obligation on companies to implement a climate change action plan is deleted

The size of companies to which the CSDDD applies is increased to 3000+ employees

When conducting an in-depth assessment of the chain of activities, companies should not seek information from suppliers with fewer than 3000 employees

The Commission should introduce a dedicated digital reporting portal as a one-stop-shop for companies

What happens next?

All MEPs will comment on rapporteur's draft report and provide any additional amendments

As seen in the rapporteur report, these can include amendments not included in the omnibus package.

The EP will adopt its final text by October 2025 (tbc)

Council final text is expected by end June (tbc)

“Trilogue” discussions (Commission/Council/EP) will decide final text

➤ So...anything can happen!

Adoption Q1 2026 (tbc)

Thank you

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amfori 
Trade with purpose



Regulatory Burden Reduction – CBAM & beyond



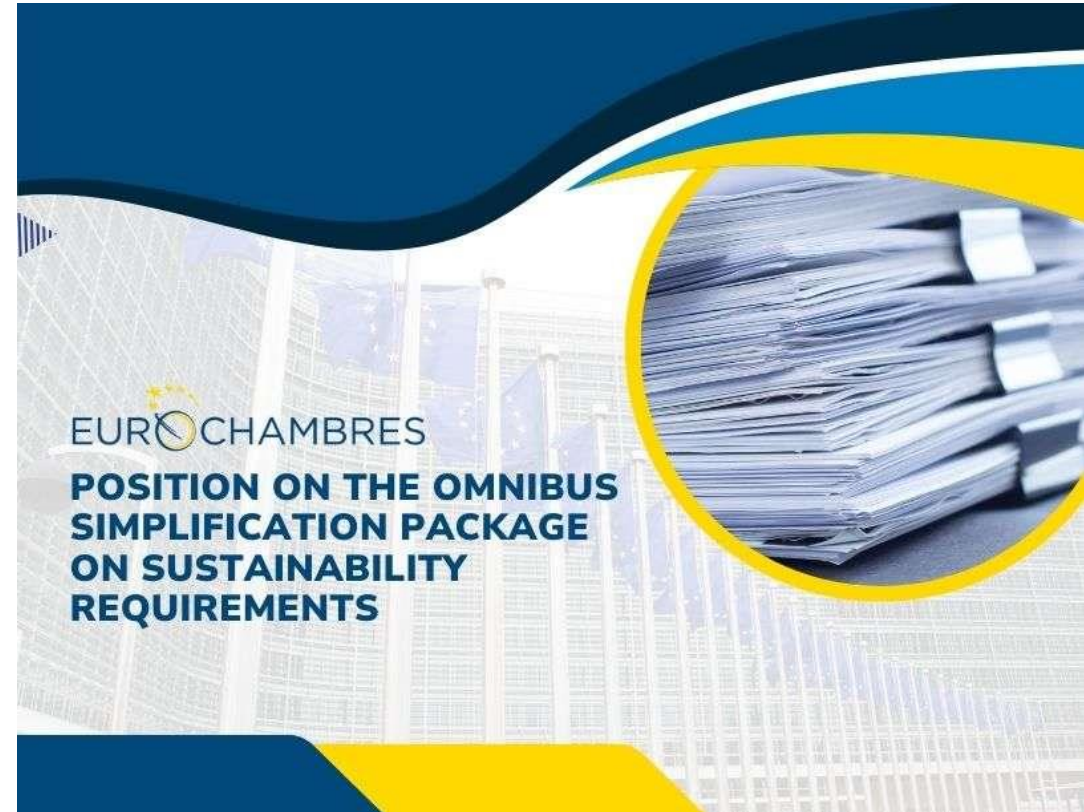
Burden Reduction – Omnibus Simplification Sustainability _ CBAM & beyond

- Eurochambres welcomes the efforts in reducing the burden linked to excessive reporting and unnecessary compliance costs that is affecting business.
- Excessive regulatory burdens undermines Europe's competitiveness at a time of heightened geopolitical tensions and risks of fragmentation.
- Simplification package welcome but Chambers want a comprehensive burden reduction plan to create a flexible regulatory environment for businesses = List of 60 proposals +coherent timelines +well-defined objectives + scoreboards to track progress at EU & national level.



Burden Reduction – Omnibus Simplification Sustainability _ CBAM & beyond

- Eurochambres welcomes the Commission's approach to postpone mandatory corporate sustainability reporting by two years for the second and third waves of companies under the Corporate Sustainability Reporting Directive (CSRD) as well as the one-year postponement for the Corporate Sustainability Due Diligence Directive (CSDDD).
- Positive approach was taken by the Council and the European Parliament with broad approval for the 'stop-the-clock' proposal.
- Postponement must be complemented by a reduction in the sheer number of data points that companies have to report on and the further alignment of the CSRD and CSDDD scope.



Burden Reduction – Omnibus Simplification Sustainability _ CBAM & beyond

Specific aspects that are welcomed by Eurochambres in the context of the Omnibus I are:

- The chamber network positively notes that concerns raised over time, especially on the negative impact on smaller businesses and midcaps, were acknowledged and addressed with the proposed amendments to the CSRD and the CSDDD,
- The limitation of the CSRD mandatory scope;
- The information requirements that user companies may impose on SMEs limited to the Voluntary SME standards (VSME), addressing the trickle-down effect on smaller businesses;
- The limitation of the due diligence obligations to direct business partners (Tier 1), where companies have direct oversight and the ability to influence;
- The simplification of reporting standards (e.g., planned delegated act to simplify the ESRS standards and simplified taxonomy reporting templates);
- The simplification of the Carbon Border Adjustment Mechanism (CBAM) in particular the new 50 tonnes threshold exempting 90% of all concerned business.

CBAM

Eurochambres attaches great importance to the proposed annual threshold of 50 tons. This exemption significantly reduces the administrative burden for more than 90% of importers while still covering over 99% of emissions.

However, several key aspects remain critical for implementation:

- Ensuring Legal Certainty : It is essential that the exemption threshold is confirmed swiftly to provide clarity for businesses. Can't have many of 180,000 importers register pre-emptively.
- The CBAM registration process remains complex and untested, with a processing time of up to 120 days. This further underscores the need for quick legal clarity.
- Eurochambres is thus in favour of an alternative for registering as an "Authorized CBAM Declarant" especially for those companies relying on default value, as participate in emissions trading poses challenges. We would thus welcome if in the future CBAM calculations and payments can be directly handled in the customs declaration process, giving companies more flexibilities.
- Further outreach and capacity building with our trading partners is needed to ensure adequate implementation ahead of full implementation next year.
- Good news that under PL Presidency a provisional agreement was struck between Council and EP on simplification which should be formally adopted in September 2025.

CSDDD

Eurochambres welcomes the prioritisation of due diligence obligations on direct business partners (Tier 1) and the more limited scope of obligations concerning indirect business partners.

However is essential that this approach remains firmly grounded in the risk-based methodology provided in Article 9 to ensure proportionality, and practicality, and minimise trickle-down effects

Eurochambres agrees with limiting the mandatory sharing of information that can be requested from SMEs and small midcaps as part of the value chain mapping process.

Another positive adjustment is the reduction in the required frequency of regular assessments of adequacy and effectiveness of measures from one year to five years.

Eurochambres supports the deletion of all EU-wide conditions for civil liability, leaving it to the discretion of member states (Art29)

CSDDD

- Eurochambres calls for:
- • Due diligence obligations not to apply to intra-EU supply chains. Combined with the limitation of due diligence to direct business partners, this could result in EU companies auditing each other, whereas companies placed in non-European risk areas that are at the beginning of a supply chain are not audited.
- • A whitelist of non-EU countries or regions that offer a similar level of protection as in Europe, simplifying EU companies' risk assessment and mapping vis-à-vis global supply chains.
- • The deletion of Article 4(2) and Recital 31 allowing member states to introduce, in their national law, provisions to achieve a different level of protection. Eurochambres expressly welcomes the expansion of the full harmonisation to new areas, however a genuine maximum harmonisation clause is needed to avoid fragmentation.
- • Additional clarifications regarding the circumstances in which the conditions of the new CSDDD's Article 8(2a) are met, requiring a company to conduct a thorough assessment in relation to an indirect business partner (i.e., in cases where there is "credible information" about likely or actual adverse impacts).
- More consistency in definitions and expressions, e.g. "plausible information" or "chain of activities"
- The further revision of the annex. The international conventions listed in the annex refer to a multitude of obligations and prohibitions, some of which are addressed to states and therefore cannot be directly applied to companies. Any environmental obligations must be clearly defined to prevent exposing companies to unpredictable and hard-to-assess risks.

Thank you very much for your attention

More information:

www.eurochambres.eu ;

<https://www.eurochambres.eu/wp-content/uploads/2025/05/250513-Position-Omnibus-Simplification-Package-on-Sustainability-Requirements.pdf>

Mr. Domninc Boucsein – EU JP Vice Chair – boucsein@eurochambres.eu

Mr. Georgi Stoev : g.stoev@bccci.bg

- Clarifying extraterritorial application and managing litigation risks under the CSDDD
- Clear approach to defining the scope of due diligence and preventing cascading obligations on downstream business partners
- Aligning the employee threshold for identifying “large undertakings” of third-country companies with that of EU companies under the CSRD
- Ensuring the swift transposition of the “Stop the Clock” proposal and allowing sufficient preparation time for CSRD Fourth Wave companies
- Harmonising key definitions between the CSRD and CSDDD, and easing practical challenges in supplier data collection
- Promoting coherence between the CSRD, CSDDD, and other EU Frameworks
- Ensuring the early adoption of implementing acts and guidance, including the development of harmonised supplier questionnaires
- Strengthening alignment with international frameworks (e.g., ISSB), and providing clear guidance for third-country companies
- Supporting capacity building and technical assistance for SMEs and third-country suppliers across global value chains

Proposal for the EU and Japanese governments

In past years, JBCE proposed :

- ◆ Proposals for future activities for the EU and Japanese governments:
 - **Launching a Scoping Study Project**
Establishing the environment for industry to achieve resilience in supply chains, while increasing corporate values
 - **Launching a Shared Responsibility Project**
Tie business and civil society in the third counties

For further advancement, JBCE would like to advocate for the following :

1. **Japan – EU Support for Regulatory Capacity in Key Production Countries**
Japan and the EU should jointly support coordination and capacity-building in high-risk supply chain regions to ensure effective labor and human rights protections.
2. **Enhance Japan – EU Cooperation in Fair and Shared Remediation Mechanisms**
Japan and the EU should lead fair remediation in global supply chains by promoting shared responsibility and trusted mediation, setting a global standard for responsible business conduct.

JBCE's Corporate Sustainability committee's activities

Engaging in EU policies related with Corporate Sustainability to foster responsible business conduct while achieving business growth

Enhance dialogue between EU & Japan Businesses

- Contribution/participation to the Business Round Table
- Exchange of views with other Japanese and European associations (CBCC, EBC etc.)
- Initiated and co hosted EU-Japan CSR Business Dialogue (2016-2019)
- Contributed to the OECD, ILO on responsible supply chain in Asia programme
- Co-hosted event with EBC on “Sustainable and Responsible Supply Chains” (2023)

Best practice sharing among members

- Sustainability Reporting
- Business and Human rights
- Gender diversity /Work-life balance
- Transparency and anti bribery , etc.



3rd EU-Japan Business Dialogue in Brussels (November 2018)

Policy advocacy

- Contribute to public consultations
- Discussions with EU institutions
- Issue position papers and proposed amendments

Corporate Sustainability Due Diligence Directive

Forced Labour Product Ban Regulation

European Sustainability Reporting Standard

Corporate Sustainability Reporting Directive

Sustainable Finance and Taxonomy

Sustainability Omnibus (Omnibus I)

Join forces with other associations

- Joint statement with JEITA, EBC
- Joint position paper with non-EU associations on CSRD
- Joint position paper of Joint Association Roundtable on CS3D, FLPB, etc.

Expectations under EU-Japan EPA

From Soft to Hard law



'Tsunami' of requirements on due diligence

Consider meaningful and implementable approach

1. Recognition of the objective of requirements and understanding the root cause of the issue

Business or government do not always have a magic wand to tackle the issue on the ground

2. Recognition of the importance of creating an enabling environment

Providing infrastructures and incentives, such as capacity building and training, to address issues in supply chains

3. Recognition of the shared responsibility towards the issue

Dialogue among governments, industry and stakeholders to create value for business and society across different cultures and systems

Launching a Shared Responsibility Project

- Facilitate the dialogue between stakeholders to achieve collaboration and empowerment in supply chains -

[Tie business and civil society in the third counties]

1. Identify mutual strategic supply chains and establish a platform with third countries to address supply chain issues
2. Call engagement from business and civil society on issue-specific topics
3. Play a role as a facilitator, a platform and tool provider (with the support of all stakeholders) to tackle specific issues

Japan-EU EPA

Trade and Sustainable Development

6th Joint Dialogue with Civil Society

23rd June 2025

Cross-cutting Aspects of Trade and Sustainable Development

Building Capacity and Enabling Environments for Responsible Business Conducts in Global Supply Chains

Dr. Emi Sugawara

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Director, Global Compact Research Center, Japan
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*In this presentation, the term 'value chains' is primarily used, but in accordance with official documents, the terms 'supply chains' or 'chain of activities' are also used.



Progresses in Japan

2025: Start of the process for revising “[National Action Plan on Business and Human Rights \(2020-2025\)](#)”



March 2024: [Stakeholder review report on the NAP on Business and Human Rights \(in Japanese\)](#)

Contributors: Japan Business Federation, SMEs Business Association, Global Compact Network Japan, Japan Sustainable Investment Forum, Japanese Trade Union Confederation, Business and Human Rights Civil Society Platform, CSO network Japan, Japan Federation of Bar Association Consumers Conference for Sustainability, ILO office for Japan, Academia



23 Recommendations to the Government

- Human Rights and Environmental Due diligence (HREDD)
 - Human rights respect throughout the supply chain requires companies and other entities to identify human rights risks through dialogue and engagement with rights-holders, and to work to prevent, mitigate, and remedy adverse impacts.
 - Human rights issues are intertwined with environmental concerns—not only climate, but also natural capital and biodiversity—and should be addressed together.
- Capacity Building
 - Provide guidance and good practices for companies, business partners, stakeholders and communities in host countries.
 - Strengthen systems (e.g., help desks) to offer tailored advice and support to companies, including SMEs.
- Creating an Enabling Environment
 - While mandatory due diligence is a strong tool, policy coherence and a smart mix of measures (e.g., disclosure, public procurement, sustainable finance, access to remedy) are essential.
 - Address root causes of human rights issues, especially gender equality and protection of migrant workers.
 - Promote continuous and constructive dialogue between government ministries and stakeholders, based on trust.

Focus on Effectiveness of due diligence

- Effectiveness of mandatory HREDD legislations

Factors of effectiveness

type1 : Legal compliance

type2 : Changing business behavior

type3: Addressing human rights violations including modern slavery

The Modern Slavery and Human Rights Policy and Evidence Centre (2024)

- Effective corporate HRDD practices

From a paper-driven response to a people-driven response

Stakeholder (especially, rights-holders) engagement

Supplier engagement

working with partnership with suppliers

moving beyond simply sharing policies and conducting supplier training on due diligence

UNSW Australian Human Rights Institute et al. (2023)

EU CSDDD & Omnibus Packages

- Establish mandatory HREDD along chains of activities, aligned with international standards
- Propose omnibus packages to reduce the burden on businesses (especially SMEs)

WITHOUT undermining the policy objectives (HR&E).

Prevent unwanted trickle-down effects and compliance burden shifts onto SME business partners.

- Expectations for building capacities and enabling environments for RBC

➤ Building Capacity

Corporate responsibility focuses on direct business partners (not all parts of value chains)

Companies remain responsible where they have plausible information of adverse impacts in their value chain.

Encourage meaningful stakeholder engagement (Art.13, CSDDD)

grievance-based due diligence across the value chain (UNGPs Principle 29)

and SME's capacity building through supplier engagement

Develop guidelines (Art.19, CSDDD) to support these efforts.

- Creating an enabling environment to drive business behavior change and address HRE issues

Expectations under on EU-Japan EPA

- To effectively implement responsible business conducts (HR&E DD) on the ground, benefiting both people and communities throughout value chains.

1 . Smart mix & policy coherence to build capacities and enabling environments

Combine mandatory HREDD with diverse and coherent measures (sanctions, incentives, etc.) to change corporate behavior./Capacity building should benefit companies, business partners, and communities in the supply chain (including in host countries).

2 . Inclusive approach involving third countries to ensure responsible value chain

Promote dialogue and collaboration among governments, industries, and stakeholders in Japan, the EU, and third countries.

3 . Address root causes of human rights and environmental issues

Recognize the roles of governments as well as companies, including through bilateral and multilateral intergovernmental dialogue and negotiation.

Expectation for Joint Dialogue with Civil Society under Japan-EU EPA

Ensure meaningful exchange of stakeholder views by:

- Prioritizing and selecting key issues / Ensuring balanced representation of stakeholders /
- Maintaining continuous follow-up on important issues raised