



Joint Minutes of the Seventh Meeting of the Committee on Trade and Sustainable Development under the Agreement between the European Union and Japan for an Economic Partnership

Online, 18 March 2026

The seventh meeting of the Committee on Trade and Sustainable Development (CTSD) under the Agreement between Japan and the European Union (EU) for an Economic Partnership (EPA) took place on 18 March 2026 via videoconference.

Japanese participants from MOFA, MAFF, MHLW, MLIT, METI, MOE and from the EU Delegation to Japan, and EU participants from the Directorates-General TRADE, ENV, CLIMA, EMPL, MOVE, JUST, as well as the Japanese Mission to the EU had a fruitful exchange of views on matters related to Chapter 16 (Trade and Sustainable Development) of the EPA.

1. OPENING AND ADOPTION OF AGENDA

The meeting opened with Japan reaffirming the importance of effective implementation of the TSD chapter. The EU highlighted the strength of the Japan-EU partnership, grounded in shared values and a rules-based and predictable trading relationship in which trade and sustainable development go hand in hand.

Following this, the agenda for the meeting was adopted (cf. attachment).

2. PROCEDURAL AND INSTITUTIONAL ITEMS

Japan updated on internal preparations towards an appropriate nomination for a chairperson of the panel, pursuant to Article 16.18 paragraph 4(d) of the EPA. The EU stated that it looked forward to the Japanese proposal for replacement in order to react and to proceed with the necessary procedures as appropriate.

3. TRADE AND ENVIRONMENT, INCLUDING TRADE AND CLIMATE ACTION

Update on the development on trade and environment, including trade and climate action, and feedback on the discussion at the JDCS

Both sides reflected on recent developments in environment matters, noting in particular the discussions in the JDCS on decarbonization, circular economy and sustainable forestry management.

- Decarbonization, in particular ETS and Green Shipping Corridors:

On the Emission Trading System (ETS), the EU welcomed Japan moving towards a mandatory system and offered to share its experience in this area. On Carbon Capture, Utilization and Storage (CCUS) and climate change adaptation, the EU welcomed further cooperation between both sides during the upcoming High-Level Dialogue. With regard to green shipping corridors and a just transition, the EU emphasized this as key areas of cooperation for enhancing the sustainability of trade, particularly through ongoing efforts in bilateral and plurilateral frameworks (e.g., the International Maritime Organization (IMO).)

Japan responded with updates on its ETS and shared concerns with regard to CBAM while acknowledging the importance of preventing carbon leakage. Japan also explained its decarbonization efforts related to green shipping corridors, including collaboration with regional partners and contributions to the development of guidelines on training for seafarers at the IMO.

- Circular economy and cooperation in CITES:

Japan provided an overview of discussions held within the framework of the Working Group on Circular Economy, and raised concerns about the Ecodesign for Sustainable Products Regulation (ESPR), the Batteries Regulation and the End-of-life Vehicle (ELV) Regulation, the Packaging and Packaging Waste Regulation (PPWR), the Recycled Plastics for Food Contact Regulation, and the Circular Economy Act.

The EU noted the productive meetings and explained that the Circular Economy Act will focus on creating demand for secondary materials and developing a single market for waste, particularly for critical raw materials. This will be achieved through measures on both the demand and supply sides,

as well as through simplification and the reduction of administrative burdens. As for PPWR, the Recycled Plastics for Food Contact Regulation, and other regulations, the EU responded by noting recent exchanges and stressed the importance of clarifying the requirements before adopting the delegated acts.

Both sides stressed their commitments in place to halt and reverse forest loss and land degradation. The EU provided policy updates on the EU Deforestation Regulation (EUDR) and emphasized that the new amendments are intended to create additional time for preparation and to provide further clarification and simplification, rather than to reopen the EUDR or alter its original objectives. Japan recognized the simplification efforts and requested further detailed information.

Japan and the EU also discussed future cooperation through CITES, with Japan invited to submit any additional questions for the EU to revert on.

4. TRADE AND LABOUR

Updates on the development on trade and labour, including on the ratification and implementation of ILO conventions, including ratification of C111 and C155, and feedback to the discussion under the JDCS

Both sides exchanged information on recent developments on trade and labour and engaged in fruitful discussion on some salient points.

Japan reported progress on ILO Conventions, noting that the Diet (national legislature of Japan) approved the ratification of C155 last year. Japan also set out its ongoing consultations on C111 and current work towards implementation of C87 and C98. Japan also provided an update on development cooperation projects on labour rights in Asia and shared its views on the platform economy and decent work in supply chains, as being discussed at the ILO.

The EU side likewise shared progress with regard to ILO conventions, including the recent decisions by France and Greece to deposit their instruments of ratification of C155. The EU confirmed ongoing work to promote further ratification among member states and showed openness to further cooperation in the ILO context. The EU welcomed Japan's phasing

out of the Technical Intern Training programme and replacing it by the Employment for Skill Development Program taking on board recommendation by the Committee on Experts on the Application of Conventions and Recommendations. Subsequently, the EU side provided updates on its Quality Jobs Roadmap, Skills Guarantee, and the Skills Portability Initiative. The EU also provided an update on the Forced Labour Regulation, first introduced in December 2024, with ongoing work on guidelines and the creation of a database on forced labour risks.

5. CROSS-CUTTING ASPECTS OF TRADE AND SUSTAINABLE DEVELOPMENT

Updates on Responsible Business Conduct (RBC)

Japan summarized the discussions on Responsible Business Conduct and related matters during the JDCS, as well as the outcomes of the JBCE-EBC-OECD joint event held on February 25. Japan subsequently provided updates on its recently revised National Action Plan on Business and Human Rights. The EU provided updates on its Corporate Sustainability Due Diligence Directive (CSDDD) and omnibus packages, particularly regarding the ongoing process of developing comprehensive guidelines covering the full due diligence process, model contract clauses, and so on. The EU welcomed Japan's initiative to organize the JBCE-EBC-OECD joint event. Both sides reaffirmed the importance of cooperation to promote meaningful engagement with stakeholders as discussed during the joint event.

6. SUMMARY AND CONCLUSIONS

Both sides thanked participants for their constructive engagement and reaffirmed the shared ambition to advance sustainable trade.

EU- JAPAN ECONOMIC PARTNERSHIP AGREEMENT (EPA)

7TH MEETING OF THE COMMITTEE ON TRADE AND SUSTAINABLE DEVELOPMENT 18 MARCH 2026 VIA VIDEOCONFERENCE

AGENDA

1. OPENING AND ADOPTION OF AGENDA

2. PROCEDURAL AND INSTITUTIONAL ITEMS

3. TRADE AND ENVIRONMENT, INCLUDING TRADE AND CLIMATE ACTION

Update on the development on trade and environment (including trade and climate action) and feedback on the discussion at the JDCS

4. TRADE AND LABOUR

Updates on the development on trade and labour, including on the ratification and implementation of ILO conventions, and feedback to the discussion under the JDCS.

5. CROSS-CUTTING ASPECTS OF TRADE AND SUSTAINABLE DEVELOPMENT

Updates on Responsible Business Conduct (RBC)

6. SUMMARY AND CONCLUSIONS