

Updates on Japanese Business and Economy

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1. B20 Tokyo Summit

– Towards the Realization of Society 5.0 for SDGs –

Keidanren hosted the B20 Tokyo Summit on March 14 and 15 at Keidanren Kaikan in Tokyo, ahead of the G20 Leaders' Summit in June in Osaka, Japan.

The B20 (Business 20) is a platform which delivers the collective voice of the G20 business community to the Group of 20 Summit. The B20 Tokyo Summit hosted approx. 300 people, including high-level businesspeople from the G20 countries and regions as well as international economic organizations around the world and Keidanren-related parties.



Chairman Nakanishi presented the Summit Joint Recommendations to Prime Minister Abe.

The Summit opened with the Pre-session "B20 Argentina Panel", followed by the Welcome Reception "Japan Night" featuring the attendance of H.E. Mr. Taro Aso, Deputy Prime Minister and Minister of Finance, H.E. Mr. Hiroshige Seko, Minister of Economy, Trade and Industry and Ms. Toshiko Abe, State Minister for Foreign Affairs.

On the 2nd day, active panel discussions were held on major policy issues including 1) the global economy, 2) trade and investment, 3) digital transformation, 4) solutions for global challenges, 5) realization of Society 5.0 for SDGs. In addition, guest remarks were delivered by H.E. Mr. Toshimitsu Motegi, Minister of State for Economic and Fiscal Policy and Mr. Haruhiko Kuroda, Governor of the Bank of Japan.

At the conclusion of the 2-day summit, the B20 Chair, Mr. Hiroaki Nakanishi (Chairman of Keidanren) presented [The B20 Tokyo Summit Joint Recommendations](#) to the G20 Chair, Prime Minister Shinzo Abe.

<B20 Tokyo Summit Official Website>

<http://www.b20tokyo.org/>

<More about B20 Tokyo Summit: Tangible Examples by Business>

http://www.keidanren.or.jp/en/policy/2019/020_Examples.html

2. Joint Statement in Support of the Trilateral Trade Ministers Initiative

– Three leading business organizations (Keidanren, Business Roundtable, and European Round Table of Industrialists) released a [joint statement](#) on WTO reform on April 3 –



BUSINESS ROUNDTABLE — EUROPEAN ROUND TABLE OF INDUSTRIALISTS — KEIDANREN JOINT STATEMENT IN SUPPORT OF THE TRILATERAL TRADE MINISTERS INITIATIVE

Our three organizations, representing leading businesses in the United States, Europe and Japan, including Chief Executive Officers, business leaders, and corporate members, have come together to commend the U.S., EU and Japanese trade ministers for their trilateral work to develop a constructive and effective strategy "to address non-market oriented policies and practices of third countries that lead to severe overcapacity, create unfair competitive conditions for their workers and businesses, hinder the development and use of innovative technologies, and undermine the proper functioning of international trade, including where existing rules are not effective."

We share the conviction of the three trade ministers that market-oriented policies are fundamental to a fair and mutually advantageous global trading system and welcome their trilateral commitment to maintain the viability and effectiveness of existing World Trade Organization (WTO) disciplines, including through ongoing WTO disputes. We believe the WTO is the backbone of the rules-based system and — with effective reforms — can play a reinvigorated role in shaping international trade rules for the 21st century. We commend the trilateral work to:

- (1) finalize by spring a trilateral text proposal to address the problem of unfair industrial subsidies;
- (2) cooperate on the development of new rules to tackle forced technology transfers, on investment reviews for national security purposes and on export controls;
- (3) advance the trilateral transparency and notification proposal submitted last November to the WTO Council for Trade in Goods and intensify engagement with other WTO partners to advance this proposal;
- (4) strengthen the Council's regular oversight of compliance with WTO agreements and commitments;

- (5) call on advanced emerging market WTO Members claiming developing country status to undertake full commitments in ongoing and future WTO negotiations; and
- (6) support the WTO negotiations on trade-related aspects of electronic commerce that seek to achieve a high standard agreement with the widest possible participation of WTO members.

We also support the three trade ministers intensifying cooperative efforts to unlock the stalemate preventing progress on comprehensive reform of the WTO dispute settlement system, including with respect to the WTO Appellate Body. We also support their efforts to strengthen the WTO's negotiating function by promoting more flexible negotiating approaches, such as plurilateral negotiations. These approaches can ensure that the multilateral trading system adequately and effectively updates its rules to address trade distorting practices and the practical and operational challenges facing businesses today in foreign markets that have evolved since the Uruguay Round including rules for emerging technology issues like ecommerce, digital trade, and the digital economy. Finally, we encourage the three trade ministers to consider ways to strengthen business community and stakeholder engagement and consultations with the WTO.

We call on the three governments to advance and implement this action agenda as a matter of urgency to revitalize the WTO and bring it into the 21st century. With the European Union, Japan, and the United States continuing to face economic challenges at home and unfair competitive pressures around the world, it is vital that we make 2019 a breakthrough year in addressing these critically important problems through national, regional and international initiatives, including the modernization and revitalization of the WTO. We encourage the trilateral efforts to continue engaging with other WTO members, including China, to achieve the objectives outlined in this letter.

In the interest of supporting this critically important Japan-U.S.-EU initiative, our three groups have joined together and stand ready to work with all three governments on this important endeavor.

3. Keidanren Breakfast Meeting Hosted for US Representatives – Reaffirming the importance of deepening and strengthening Japan-US cooperation –

On March 20, Keidanren's Committee on U.S. Affairs hosted a breakfast meeting for U.S. Representatives who were visiting Japan under the Japan-U.S. Friendship Commission (JUSFC) Thomas S. Foley Legislative Exchange Program by the Maureen and Mike Mansfield Foundation.

U.S. Representatives including Mark Takano (D-CA), Jim Sensenbrenner (R-WI), Judy Chu (D-CA), French Hill (R-AR) and Brenda Lawrence (D-MI) met with Keidanren Vice Chair Mr. Shigeru Hayakawa (Vice Chairman, Toyota Motor Corporation) and the US Committee Chair Mr. Yoshiharu Ueki (Director, Chairman, Japan Airlines Co., Ltd.).



Business leaders from both sides joined them and shared their common understanding of Japanese companies' actual contributions to the US economy as well as their anticipation regarding the USMCA on which agreement was reached recently. They also exchanged views on various international trade and economic issues including the US-China trade conflict, WTO reform and protectionism.

4. Keidanren's Participation in the 2019 NGA Winter Meeting in Washington D.C.

– Held individual meetings with State Governors and U.S. legislators –

The Keidanren delegation led by Mr. Hayakawa, Vice Chair (Vice Chairman, Toyota Motor Corporation) and Mr. Nagano, Chair of the Committee on U.S. Affairs (President & Group CEO, Tokio Marine Holdings, Inc.) participated in the 2019 NGA (National Governors Association) Winter Meeting in Washington D.C. from February 22nd to 26th. The Keidanren Delegation, which consisted of 20 people from 7 member companies, engaged in close dialogues not only with the Governors at NGA, but also with US-Japan Congressional Caucus members and other U.S. lawmakers through individual meetings.

In each meeting, Keidanren emphasized (1) Japanese companies' economic and social contributions to each state and the U.S. as a whole and (2) the importance of a free trade and investment framework. Both Governors and lawmakers agreed with the importance of the US-Japan relationship and the value of free trade and investment.

Also, as a part of the NGA Meeting Program, Keidanren co-hosted a session with JETRO (the Japan External Trade Organization) titled "From Tokyo to Toledo: Japanese Supply Chain Integration throughout the States" and Vice Chair Hayakawa delivered the keynote speech.

In addition, the Keidanren delegation participated in the 4th Annual Invest in America! Summit hosted by the U.S. Chamber of Commerce in partnership with the NGA. Mr. Hayakawa joined the "Workforce Development Opportunities" session as a panelist.

Keidanren wishes to continue enhancing engagement with key policymakers, thought leaders and business leaders in the



Mr. Nagano (L) and Mr. Hayakawa (L) with Pennsylvania Governor Wolf



Mr. Hayakawa (L) with Congressman Adrian Smith (R-NE), the newly appointed Co-Chair of the US-Japan Caucus



Mr. Nagano (L) with New Hampshire Governor Sununu

U.S. to further strengthen the partnership between the two countries.

<List of Meetings>

(Governors)

Chris Sununu (R) - New Hampshire

Kate Brown (D) - Oregon

Larry Hogan (R) - Maryland *(NGA vice Chair, next Chairman from 2019-20)

David Ige (D) – Hawaii

(US Congress)

Rep. Joaquin Castro (D-TX) *Co-Chair of the U.S.-Japan Congressional Caucus

Rep. Adrian Smith (R-NE) *Co-Chair of the U.S.-Japan Congressional Caucus

Rep. Tony Cardenas (D-CA)

Rep. Don Beyer (D-VA)

Rep. Will Hurd (R-TX)

Rep. French Hill (R-AR)

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For more information on Keidanren's recent activities, please visit [here](#) and our weekly journal [Keidanren Times](#).

Editor: Keidanren USA

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