

## EBC chief seeks more investment in Japan

BRUSSELS (Kyodo) The chairman of the European Business Community in Japan said Tuesday that European business leaders should boost investment and economic exchanges with Japan.

EBC chief Richard Collasse introduced a pledge by Prime Minister Junichiro Koizumi to double foreign direct investment in Japan in the next five years. There will be plenty of opportunities for Europeans to launch businesses in the world's second-largest economy, he said.

The EBC represents 3,000 European companies operating in Japan.

"Japan has never given up investing in R&D, even at the

time of economic crises," such as the period since the burst of the asset-inflated bubble in the early 1990s, Collasse told a financial conference in Luxembourg. "One can imagine that the ground is there for fertilization in various areas, such as nanotechnologies, life science and aerospace."

He cited Japan's high education level, dedicated staff and rich infrastructure as strong incentives for European companies to enter the Japanese market. Collasse is also president of Chanel K.K. in Tokyo.

He also stressed that Japan must do more to deregulate its traditionally protected sec-

tors such as medicine, construction and agriculture.

Panelists, including Haruo Shimada, special adviser to Japan's Cabinet Office, called for greater economic ties between Japan and Europe, especially when the European Union expands into a 25-nation bloc in May.

Shimada, also an economics professor at Keio University, said Japan's economy is showing signs of recovery. Structural reform drives undertaken by the Koizumi administration will create new demand through the development of consumer-oriented industries, he said.

There is growing demand in the service sectors, he said.