

| | |
|--------------------|---------------------------------------------------------------|
| Publication | AFP |
| Date | November 21 st , 2007 |
| Title | <i>European business urges Japan, EU economic integration</i> |

Japan and the European Union should seek an ambitious economic integration that includes lifting of non-tariff barriers and freer movement of people, a European business lobby said Wednesday.

An annual report issued by the European Business Council in Japan (EBC) recommended that Japan and the European Union work towards a comprehensive economic integration similar to the EU's single market.

Japan has been seeking a growing number of free-trade agreements and broader economic partnership agreements, mostly with developing nations, amid the collapse in global trade liberalisation talks.

“Given the global position and the economic development of the EU and Japan, the EBC does not think that a traditional FTA or EPA will be appropriate or sufficient tools to serve our current interests,” EBC chairman Richard Collasse said.

Collasse, who is also the Japan chief of French fashion house Chanel, said the EU and Japan shared the principles of free competition, fair investment rules and respect of intellectual property rights.

The two sides “need to stand together to defend their interests” against emerging countries which “are taking the stage as economic powers,” he told reporters.

In the report, the business group said that a key goal should be to “make it easier for people to move” between the European Union and Japan, which has strict controls on immigration.

“This will entail substantial revision -- and in some cases abolition -- of current visa and work permits for EU citizens in Japan and Japanese citizens in Europe,” the report said.

The EU and Japan should also work to eliminate non-tariff barriers such as regulations on medical and pharmaceutical products, and different laws on financial services and telecommunications, it said.

World Trade Organisation talks on cutting trade barriers to agriculture, industrial goods and services, launched in the Qatari capital of Doha in November 2001, are deadlocked over disputes between rich and poor nations.

Japan struck a framework free-trade pact with the 10-nation ASEAN bloc Wednesday.