

EBC E-NEWS BULLETINS

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Please direct queries and comments to:

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INTERNAL NEWS

EBC Participation in TCCI Committee

Following our request in the previous bulletin for a Japanese-speaking member of the EBC to join the International Affairs Committee of the Tokyo Chamber of Commerce and Industry, we are pleased to announce that the EBC will be represented by Mr. Anthony Millington, Director-General of the European Association of Automotive Manufacturers (ACEA) and an active member of the EBC Automobile Committee. Anthony has been a participant in the Japanese Government's Regulatory Reform Committee and brings a wealth of experience in Japan to his representation of the EBC in the TCCI committee.

EBC Comments on the "No-Action Letter" Submitted

The EBC submission on the proposed clarification and advance clearance mechanism, the so-called "no-action letter" (NAL), was delivered with a cover letter from the EBC Chairman to the Ministry of Public Management, Home Affairs, Posts and Telecommunications (MPHPT) on March 16. The final versions of the EBC recommendations, both Japanese and English, are now posted on our website at:

English: <http://www.ebc-jp.com/news/newsletter-no action ENG.htm>

Japanese: <http://www.ebc-jp.com/news/newsletter-no action JAP.htm>

The MPHPT's version has passed through cabinet and we have received a copy of it in Japanese by fax and an English translation and are in the process of looking through it. The English translation is posted on our website at: <http://www.ebc-jp.com/news/newsletter-NAL.htm>

We have identified some issues of concern already. If you have any comments please email us as we will prepare a follow-up position if required.

EBC Medical Diagnostics Committee Receives Overwhelming Support at OTO Hearing

The EBC Medical Diagnostics Committee made a highly successful presentation at the Office of the Trade Ombudsman (OTO) of the Cabinet Office on March 26. The complaint to the Ministry of Health, Labour and Welfare (MHLW) was submitted originally in writing via the OTO last October. The response received from the MHLW, however, was not accepted by the committee and the OTO Secretariat. The next step was to put the complaint to a public hearing before a review board of experts from various walks of life. The essence of the EBC issue is that in vitro diagnostics never enter the human body, but are used only for diagnostic purposes in test tubes. Nonetheless, they are treated in Japan as pharmaceuticals and the approval process can take as long as 2 years in some cases, even though the norm overseas is around 6 months or less. The original written complaint was submitted under the name of the EBC executive director and the hearing presentation was made by the EBC Secretariat in English and Japanese to protect the companies involved, although the members of the Committee's technical subcommittee were present. All EBC personnel present were astonished at the virulent attack made by the members of the panel against the MHLW without directing any questions to the EBC. The OTO predicts that the MHLW has no choice but to agree to the EBC requests within the 30-day period allowed for a response. If so, it will end an unsatisfactory situation that has existed for many years despite repeated complaints from the ACCJ, embassies, the EBC and other groups. Thanks are extended to Ms. Fusayo Kobu of bioMerieux and Mr. Hiroyuki Kato of Dade Behring from the committee's technical subcommittee and to Casey Sedgman, who refined the written presentation with his usual skill.

EBC Joins New MPHPT Committee

Nippon Ericsson's. Yoshio Honda, Chairman of the EBC Telecommunications Equipment Committee, and committee member, Kenji Ito of Siemens, will join a new committee being established this month by the Ministry of Public Management, Home Affairs, Posts and Telecommunications (MPHPT) to look at new technical requirements, such as high-speed internet access, for the current radio LAN system and mobile identification system on 2.4 GHz (the ISM band).

Reminder About EBC Committee Chairmen Re-affirmation/Re-election

In accordance with the EBC Committee Rules, all committee are required to reaffirm their incumbent chairman or elect a new

chairman for the current year (<http://www.ebc-jp.com/> See Regulations, Committee Rules) - extract below:

1. Committee Chairpersons and Members

- a) A Committee Chairperson may serve for two 2-year consecutive terms with a term taking effect from April 1st of the relevant year.
 - b) A formal biannual reaffirmation or election, as applicable, is required before April 1st of the relevant year. The result of the reaffirmation/election must be reported in writing to the EBC Secretariat no later than March 15 of the relevant year.
 - c) New Chairperson nominations are subject to approval by the EBC Executive Operating Board (EOB) prior to taking effect.
- Some committees have completed this process over the past few months, while others have probably forgotten to do so. Please let the Secretariat know if there are any changes.

GENERIC NEWS

Japanese Government Procurement Seminar for Fiscal Year 2001

The Ministry of Foreign Affairs will hold a seminar on government procurement for the Fiscal Year 2001 on Thursday, April 26. The meeting will take place in Room 760 of the International Conference Hall at the Ministry of Foreign Affairs. The program includes a general overview of Japanese government procurement procedures, an outline of the procedures for participation in competitive contracts, and an outline of anticipated procurement for fiscal 2001. Registration is by fax. For more information and a copy of the registration form, contact:

Ms. Akaboshi or Ms. Sakagami

Government Procurement Seminar Secretariat

Tel: 5562-3677; Fax: 5562-3666

METI to Fund R&D in Five Key Sectors

The Ministry of Economy, Trade, and Industry (METI) will focus the disbursement of R&D funds on five key sectors: information technology, nanotechnology, biotechnology, medicine, and the environment. In addition to narrowing the targets from the current thirty areas of interest, METI will also start a system of progress tracking and performance measurement. These changes will take effect in FY 2001. The five sectors are considered to be areas in which Japan lags, but shows great promise for success. More information about METI policies and activities can be found at:

<http://www.meti.go.jp/english/index.html>

Japan to build supersonic jet

Scientists from the National Aerospace Laboratory of the Ministry of Education, Culture, Sports, Science and Technology (MEXT) will start developmental work on an unmanned scaled-down prototype of a supersonic experimental plane. The experimental prototype will have no engine, and will be carried into space by a rocket. The initial experiments are designed to better understand how to build a fuselage whose lift can be enhanced with less air pressure. The plane will descend at Mach2 (about 2,200 kph) for one minute on a zigzag course. If the experiment is successful, tests will be run between 2004 and 2006 on another experimental plane powered by jet engines. The targeted size for the Japanese SST is a 300-person capacity, with a flying range of 11,000 km and a top speed of Mach 2.2. The research group is considering working with a foreign partner due to the high cost of development. Officials estimate that test flights of the experimental planes without engines will cost about 20 billion yen. A further two to three trillion yen will be needed to develop the light fuselage and fuel-efficient engine.

For further information, contact the Planning Office, NAL, STA: phone: +81-422-47-5911

Japan-EU Telecommunications Bilateral Meeting Held in Brussels

The Japanese Ministry of Public Management, Home Affairs, Posts and Telecommunications (MPHPT) and the European Commission held their annual bilateral talks on telecommunications in Brussels this February. Topics discussed at the talks included cooperation on promoting 4th generation (4G) mobile communications, cooperation on e-commerce, specifically on electronic signature and certification services, "promotion of the IT revolution", and implementation of pro-competitive policy in the telecommunications field.

Government OKs Plan To Reform Special Corps, "Amakudari", By '05

The Japanese government intends to reform special public corporations by 2005 under a plan that, in theory, calls for restrictions on the hiring of retiring bureaucrats by private companies, a practice known as "amakudari". The government will draw up a consolidation/rationalization plan for special "third-sector" corporations by the end of March 2002, after a complete review of their operations and organization. The plan is expected to include recommendations on abolishing, consolidating, scaling-down, privatizing and transforming special corporations into independent administrative agencies. The legal framework necessary for implementing the reforms is expected to be in place by fiscal 2005. The EBC Secretariat is adopting a "wait-and-see" policy.

Preparations for Creation of Japan Business Federation Underway

The national business group to be created from the merger of the Japan Federation of Economic Organizations (Keidanren) and the Japan Federation of Employers' Associations (Nikkeiren) will be called the Japan Business Federation. Plans call for the merger to be complete by May 2002 at the latest. Nikkeiren will be dissolved and absorbed by Keidanren. Executive and committee meetings of the two groups will be held jointly starting next month. Each organization currently has 12 vice chairmen, but the new entity will have 10-15. Traditionally, Keidanren has represented business in its relations with the government, while Nikkeiren has dealt with labor issues. They have recently tackled many social welfare issues together, and decided that a merger was preferable for Japanese business interests to speak with a single voice on policy matters.