



EUROPEAN BUSINESS COMMUNITY
THE COUNCIL

H.E. Mr. Junichiro Koizumi
Prime Minister of Japan
Prime Minister's Official Residence
2-3-1 Nagatacho, Chiyoda-ku, Tokyo

March 2, 2004

Re: Proposed revisions to the Anti-Monopoly Act

Dear Prime Minister,

As the trade policy arm of the seventeen national European chambers of commerce and business associations in Japan, the European Business Community (EBC) is following with great interest the debate surrounding proposals released by the Japan Fair Trade Commission to amend the Anti-Monopoly Act (AMA).

The EBC supports the principles of the JFTC proposals, namely:

1. To review the surcharge system with the intention, amongst other things, of raising the amount levied on violations of the AMA;
2. To introduce a leniency system for companies that cooperate with JFTC investigations;
3. To strengthen the investigative powers of the JFTC; and
4. To introduce an "essential facilities" doctrine into the Anti-Monopoly Act, provided that the definition and application of this doctrine is consistent with international best practice.

The EBC has long argued that the development of a strong competition regime is essential to the development of a business environment conducive to the growth of trade and investment in Japan. The EBC feels that the JFTC proposals represent a pragmatic first step in this direction.

It is our understanding that the JFTC proposals are being met with considerable opposition from various elements of the Diet and the Japanese business community.



In response to this opposition, the EBC urges the Prime Minister not to forget the benefits of a strengthened competition regime. A strengthened competition regime would help attract new investment, support the establishment of new business, and contribute to a reinvigoration of the Japanese economy. This is essential not only in terms of the potential contribution to economic growth, but also in terms of Japan's appeal to the international community as a modern, open economy.

The EBC urges you to support the JFTC in its negotiations with Diet members, business organizations, and ministries affected, with the goal of submitting relevant legislation to the Diet during the current session.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Richard Collasse', written over a horizontal line.

Richard Collasse,
Chairman,
European Business Community in Japan.

cc. Japan Fair Trade Commission (Mr. Kazuhiko Takeshima)
Delegation of the European Commission in Japan (Ambassador Bernhard Zepter)