

July 6, 2017

**Broad agreement on the
EU-Japan Economic Partnership Agreement/Free Trade Agreement**

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On July 6, 2017, broad agreement was announced in the EU-Japan Economic Partnership Agreement/Free Trade Agreement (EPA/FTA) negotiations.

JEITA lauds this agreement and salutes the great efforts of both the Japanese and European governments in advancing the negotiations to this point.

We particularly welcome tariff reductions following the conclusion of the Information Technology Agreement (ITA) expansion negotiations, as well as inclusion of a ban on source code disclosure requirements in the e-commerce chapter. We believe that these steps will contribute significantly to the growth of the digital economy in Japan and EU in an IoT era, as well as to the mutual advance of both regions.

Japan and the EU have a long-standing cooperative relationship in the IT field. JEITA has no doubt that as an ambitious agreement that promotes R&D cooperation and innovation and further expands corporate partnerships, the new EPA/FTA will strengthen that relationship even further.

We ask the Japanese and European governments to sustain their efforts to reach a final agreement at the earliest possible point, and urge that the e-commerce rules in the agreement make clear reference to the critical importance of free cross-border flows of information in an IoT era, as well as banning forced server localization, setting up the Japan-Europe EPA/FTA as a model for other economic partnership agreements in the future.

In addition to the EPA/FTA, with Japan's amended Act on the Protection of Personal Information now fully in force, we look forward to Japan and the EU reaching agreement in early 2018 to secure the free cross-border transfer of personal data between them based on rigorous personal data protection.

JEITA will continue to deepen its cooperation with European government and industry, utilizing the Combined Exhibition of Advanced Technologies (CEATEC), which proposes solutions for "Connecting Society, Creating the Future," to that end.