

Call for the Earliest Conclusion of a Japan-Switzerland Economic Partnership Agreement

February 20, 2007
Nippon Keidanren

“Nippon Keidanren's Observation and Views on European Integration and the Japan-Europe Business Relations” (April 2006)
=> EPAs could become an effective tool for fastening Japan-Europe economic ties.

“Towards Broader and Deeper Economic Partnership Agreements”(October 2006)
=> Comprehensive and high-quality EPAs should be promoted bilaterally and multilaterally.

- Japan's trade value with the countries where the EPAs have already been concluded or agreements have been reached in principle accounts for only about **14% of its total trade value**. Even if the countries with which Japan has started and has agreed to start EPA negotiations are included in the calculation, the value is only one third of the total. => **Further promotion of EPAs continues to be an important issue.**

- Identification of and discussions on the following issues for the purpose of facilitating the conclusion of EPAs contribute to closer economic relations between Japan and other countries: trade in goods, trade in services, investment, business environment, intellectual property rights and so on.

The Japanese government should move forward with the negotiations swiftly and steadily to realize the earliest conclusion of the **comprehensive and high-quality EPA** with Switzerland, which would be commensurate with one between highly developed countries.



Importance of strengthening economic partnerships between Japan and Switzerland

(1) Switzerland as an important partner of Japan in formulating international rules

- Cooperation in formulating international rules through multilateral forums such as the WTO and the OECD exists

=>The enhancement of economic partnership with Switzerland will contribute to having Japan's views reflected in international rules.

(2) Switzerland as one of the leading countries in the field of FTAs

- More than 80% of Switzerland's foreign trade is now covered by FTAs

=>Realization of a comprehensive and high-quality EPA with Switzerland, which is one of the leading countries in the field of FTAs, offers benefits to Japan in negotiating with other countries or regions to expand and deepen its EPAs.

Benefits expected from the EPA between Japan and Switzerland

(1) Liberalization of trade in goods and services

- Elimination of the tariffs on goods including specific duties imposed on passenger cars, motorcycles, TV sets, and video tape recorders (70% of goods exported from Japan to Switzerland are subject to customs duties)

- A high level of liberalization in services trade should be realized through a negative list approach to the extent where it exceeds the level of the current Schedule of Commitment in the WTO (Liberalization is important especially in such sectors as computer-related, telecommunications, and audio-visual services)

(2) Introduction of the user-friendly system of rules of origin

- Introducing and assessing the merits of a highly user-friendly system by referring to Swiss systems such as approved exporters and self-declaration as a model

=> Japan should consider introducing similar systems under the EPAs with other countries or regions.

(3) Improvement of investment and business environment

- Exemption from a) the nationality and residential requirements for board members of the Swiss-registered companies and b) the limit on the number of residence permits to be issued in Switzerland

(4) Protection of intellectual property rights

- Provisions regarding high-quality protection of intellectual property rights, including cooperation in taking measures against counterfeits and pirated goods in third countries