5th March 2025

EU-Japan Digital Partnership Stakeholders Consultation Roundtable

Building Trust and Predictability in AI Innovation

Japan Business Council in Europe (JBCE)

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Policy-Driven Trust

- JBCE reaffirms the critical need for international coordination in General-Purpose AI governance

- Harmonized standards are essential for fostering legal certainty, interoperability, and responsible cross-border AI deployment

- We acknowledge and support ongoing efforts in both regions:
  - ✓ The EU's AI Act and its evolving standardization roadmap for General-Purpose AI
  - ✓ Japan's advancements in AI policy, governance, and innovation frameworks

- We emphasize the importance of sustained dialogue and regulatory alignment between:
  - ✓ The EU AI Office and Japan's AI Safety Institution
  - ✓ Inclusive stakeholder engagement across both regions

- Our shared goal:

  A resilient, innovation-driven, and ethically grounded AI ecosystem with global impact

Predictability Through AI Harmonisation: Strengthening EU-Japan Cooperation

- Enhancing EU-Japan cooperation on AI governance through shared values and regulatory alignment

- The Hiroshima Process plays a key role in shaping global AI discussions:
    - ✓ Reinforcing ethical, trustworthy, and resilient AI ecosystems

- Japan is working towards becoming an Associated Country in Horizon Europe
    - ✓ As a milestone that would enable deeper research collaboration and joint innovation in AI

- Future opportunities for cooperation
    - ✓ Under the Digital Europe Programme could further strengthen EU-Japan collaboration in digital transformation and AI governance

- Strengthening engagement between policymakers, industry, and research communities will drive a secure, innovation-friendly, and human-centric digital future

Accelerate innovation by sandbox initiative

- A balanced innovation-driven approach is essential for AI competitiveness and regulatory alignment

- We propose EU-Japan Joint Sandbox Exercises under the Digital Partnership to test and refine AI governance frameworks in real-world conditions
    - Key Focus Areas:
        - ✓ Regulatory harmonization – Aligning AI risk assessment and oversight mechanisms
        - ✓ Standardization & interoperability – Ensuring seamless AI deployment across jurisdictions
        - ✓ Testing AI in critical sectors – Supporting innovation in key industries
        - ✓ AI market access & investment – Facilitating cross-border collaboration and scaling opportunities
    - Proposed Structure:
        - ✓ Continuous annual process with rotating topics, selected through open consultations
        - ✓ Multi-stakeholder collaboration, involving policymakers, industry, and research communities
        - ✓ Pilot projects & regulatory testbeds to validate AI governance approaches before implementation
- JBCE's Role in Supporting the Initiative:
        - ✓ Engaging stakeholders & industry experts
        - ✓ Facilitating knowledge exchange between EU & Japan
        - ✓ Identifying best practices for competitive AI ecosystems

Exploring Japan-EU Collaboration on AI Factories

- The AI Factories initiative aims to create a network of innovation hubs supporting the development, testing, and deployment of cutting-edge AI solutions in Europe

- Japan's expertise in AI research, industrial automation, and robotics presents a unique opportunity for strategic collaboration within this framework

  Key Areas for Japan-EU AI Factory Collaboration:

    - ✓ Joint R&D initiatives – Co-developing AI solutions for industrial applications
    - ✓ Testing & validation hubs – Establishing shared AI test environments
    - ✓ Knowledge-sharing platforms – Exchanging expertise in AI regulation and best practices
    - ✓ Investment & scaling opportunities – Supporting AI startups and industry-driven projects

- Benefits:
  - ✓ Strengthening AI innovation ecosystems in both regions
  - ✓ Enhancing market access and investment flows for AI-driven businesses
  - ✓ Ensuring alignment on AI governance and standards

Conclusion

EU and Japan have a pivotal role to build the fairness democratic AI in the world

Ensuring a Resilient & Ethical AI Ecosystem with Global Impact

Establishing an EU-Japan AI Sandbox for Competitiveness

Advancing AI Research & Innovation Cooperation

Japan Business Council in Europe

Thank you for your attention