

EU-Japan Centre for Industrial Cooperation Policy Seminar
Learning from Europe's Innovation Ecosystem—Implications and Lessons for Japan

Thursday 4 September 2025, 16:30-18:00 Tokyo (9:30-11:00 Brussels)

<Summary>

Keynote Presentation:

Toshiyasu Ichioka, Director, RIKEN Europe Office

Today, I would like to speak about research and innovation ecosystems, drawing on the perspective of basic research at RIKEN and my experience in establishing the National Contact Point (NCP) for the EU Framework Programmes at the EU-Japan Centre for Industrial Cooperation.

I understand an ecosystem to be a space where diverse stakeholders gather in a specific region and interact with one another to address social and industrial challenges. It is difficult to resolve today's complex challenges—such as climate change, infectious diseases and the strengthening of semiconductor supply chains—with a single technology or organisation alone. What is required is a collaborative approach that takes a holistic view and combines the necessary elements to tackle these issues.

Basic researchers play a role in creating 'zero to one', whilst different specialists are involved in the subsequent stages of scale-up, societal implementation, refinement and maintenance. Although each faces distinct challenges, co-creation based on mutual understanding and respect is essential.

In Europe, a long history of scientific and technological accumulation, support from public funds and foundations, and the multilateral framework of the EU have formed a robust innovation ecosystem. In particular, the EU promotes widespread and sustainable innovation by addressing regional disparities, establishing common rules, and ensuring transparent decision-making processes.

Examples illustrating the significance of basic research include superconductivity, the theory of relativity and optical lattice clocks. After a century, superconductivity has found applications in MRI and quantum technology, whilst optical lattice clocks may contribute to the future redefinition of the 'second'. In this way, insights that may appear of no immediate use can, in the long term, become a force for social transformation.

The EU's Framework Programmes are a key policy instrument supporting the entire spectrum from research to innovation, and global organisations such as ASML and IMEC have grown by benefiting from them. For Japan, too, they are extremely beneficial in terms of expanding networks, standardisation, talent discovery, and access to data and facilities. Japan is currently negotiating associate participation in 'Horizon Europe', and as a partner sharing common values, further strengthening of cooperation is required.

Fumiaki Ebihara, Director General, NEDO Europe

Today, I will introduce the European ecosystem in the deep tech sector and the potential for collaboration with Japan. Although Europe is geographically and psychologically distant from Japan,



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and the systems of individual countries and the EU may seem complex and difficult to understand, I feel there is significant scope to build a complementary relationship with Japan in both technological and cultural terms.

NEDO is an independent administrative agency under the jurisdiction of the Ministry of Economy, Trade and Industry (METI), primarily providing support through grants for technological development. In recent years, it has strengthened its support for deep tech start-ups and is currently supporting over 100 companies through a fund worth 100 billion yen. The European Office is responsible for monitoring technology and industrial trends across Europe, supporting start-ups, and promoting cooperation between Japan and Europe.

Europe excels in basic research and has many lab-spun-off start-ups, but faces challenges in terms of fundraising. A key characteristic is the significant involvement of public institutions compared to the US, with support provided consistently from research through to scale-up. Priority areas vary by country; for example, France has strengths in AI, whilst Sweden excels in climate tech.

Noteworthy sectors include energy, AI, quantum technology, and space, among others.

It is worth noting that the number of unicorn companies is increasing in sectors such as energy, AI, quantum technology and space. Deep tech accounts for a significant proportion of investment, and policy support continues. In its post-2028 budget framework, the European Commission is prioritizing support for innovation with an eye on technological competition with the US and China, making Japan's associate participation in 'Horizon' particularly significant.

Furthermore, public bodies such as the EIC and EIT InnoEnergy play a central role in supporting start-ups, going beyond mere funding to facilitate connections with large corporations and design exit strategies. A support framework has been established with a view to market implementation, emphasizing collaboration with the demand side and utilizing offtake agreements.

Cooperation with Europe holds great strategic significance for Japan from the perspectives of defense, decarbonization and market entry into Africa. It is crucial to accurately assess the current situation and identify the most suitable partners for each sector and phase.

Hideo Yura, Director General, JETRO London

As a core hub connecting Japanese companies with European innovation, JETRO London oversees 16 offices across Europe and leads coordination with the EU's EIC and EIT. Currently, Japanese companies have approximately 80 to 100 bases in Europe, with 30 of these concentrated in the UK, where technology exploration and collaboration with start-ups are actively taking place.

Venture investment in Europe over the past decade expanded significantly following the onset of COVID-19, driven by new demand such as the development of online meeting tools. Although both the number and value of investments have stabilized for the time being, they are expected to transition to steady growth in the future. In terms of investment by sector as of 2024, healthtech leads the way, followed by energy, software, fintech and mobility. The healthtech sector, in particular, benefits from the depth of research specific to Europe, and I believe it serves as a model from which Japan can learn.



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In the UK, investment in research institutions such as Cambridge, Oxford and Imperial College, centred around London's venture capital firms, is expanding, creating a virtuous cycle between the startup and university ecosystems. In particular, the transition from researcher to entrepreneur is progressing within the healthtech sector, and innovation is beginning to bear fruit.

In the Nordic region, the Karolinska Institute in Sweden and the University of Tokyo are collaborating to establish a new research hub called 'LINK'. Furthermore, the 'Slush' start-up event held in Helsinki, Finland, is highly regarded internationally, with participation from Japan increasing year on year. JETRO is also providing support on the ground through initiatives such as reverse pitches.

In Eastern Europe, start-up activity is becoming increasingly vibrant in both Bulgaria, an EU member state, and Serbia, a non-member state. In Serbia, there is a growing trend of graduates from the University of Novi Sad returning to their hometowns to start businesses, whilst in Bulgaria, the first AI research institute in Eastern Europe has been established, and construction of the EU's 'AI Factory' is scheduled to begin.

Regarding cooperation with the EU, workshops for Japanese companies have been organised in relation to the EIT to encourage participation in European innovation consortia. Regarding the EIC, five companies—JX Metal, DNP, Mitsubishi Heavy Industries, NEC and Shimizu Corporation—have presented challenges, and a co-creation programme has been launched in which European start-ups submit proposals.

Finally, in the semiconductor sector, we are facilitating matchmaking at Semicon Japan by inviting European start-ups to Japan and utilising the EU's 'EU Business Hub' dispatch programme. Through these initiatives, we aim to further deepen industrial cooperation between Japan and Europe.

Q&A/Discussion

During the Q&A/Discussion session, Mr Tanabe, Managing Director of the EU-Japan Centre for Industrial Cooperation and moderator of the session, raised the following questions:

- How would you assess innovation in the EU over the past decade? Are there any examples—as opposed to ongoing initiatives—that have clearly generated value to date?
- Looking at trends in the database sector, it appears that there are many IT start-ups in Southern Europe—such as Greece, Italy, Spain and Portugal—that are conducting pilot projects with funding from Horizon Europe. I would like to hear any information you may have regarding the situation of IT start-ups in these Southern European countries.
- If you believe that, in the manufacturing sector, the link between research institutions and industry in Europe is functioning more effectively than in Japan, what are the reasons for this success?
- When it comes to start-ups, there is a tendency to view the US as leading and other countries as following, but it seems we must also consider the differences in the overall social systems. In this field, bearing in mind the US and China, where is the EU aiming to go, and what is it preparing for? Furthermore, in terms of its future direction, how does it envisage the post-SDGs world?
- How do you view the possibility of Europe cooperating with China on decarbonisation-related technologies?
- When comparing Japan's innovation ecosystem with that of Europe, where do the challenges lie? How should Japanese start-ups grow, and how should they expand into Europe?

End



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