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(Acts whose publication is obligatory)

COUNCIL REGULATION (EC) No 1035/1999

of 11 May 1999

on implementation by the Commission of a programme of specific measures and actions to improve access of European Union goods and cross-border services to Japan

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community and in particular Article 133 and Article 308 thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Parliament ([1]),

Having regard to the European Parliament's Resolution of 18 September 1997 on the Communication from the Commission to the Council on 'Europe and Japan: the next steps' ([2]),

(1) Whereas the Council's Conclusions of 29 May 1995 on the Commission's Communication on Japan recognised the distinct and specific problems of market access in Japan; whereas, in the light of this, the Council considered that priority should be given to improving access to the Japanese market; whereas the Council has emphasised the need for complementarity between the actions of the Community and those of the Member States, in particular in its Conclusions on Market Access of 13 May and 10 June 1996;

(2) Whereas it is the primary responsibility of Member States to draw up and implement programmes of measures and actions to support the efforts of their exporters to build up a commercial presence in foreign markets;

(3) Whereas the implementation of appropriate measures and actions to improve access of European Union goods and cross-border services to Japan and to eliminate trade barriers should contribute to reducing the Community's trade imbalance with Japan;

(4) Whereas, in order to compete successfully in the Japanese market, Community enterprises should strive to establish permanent business relationships in Japan; whereas this requires them to confront the challenges posed by Japan's unique market requirements and local business practices and complex distribution structures and trade and investment regulations; whereas support by Member States and the Community can assist enterprises to overcome the difficulties resulting therefrom in the early stages of their marketing and investment efforts;

(5) Whereas continuing efforts need to be made to build up a pool of European business expertise in Japan, in particular through the longstanding and valued Executive Training Programme, in order to prepare European companies to take advantage of new market openings and to ensure that they are not placed at a disadvantage compared to their foreign competitors;

(6) Whereas the specificity of the Japanese market led the Commission, in coordination with Member States, to set up the second 'Gateway to Japan' campaign in 1997 to complement and back up the activities of Member States in this field; whereas this campaign is at its mid-term point and its immediate discontinuation would lead to a loss of investment in the network responsible for executing the campaign; whereas in the current economic climate in Japan, the 'Gateway to Japan' campaign should continue until its expiry at the end of 2000, in order to support the continuing efforts by Member States;

(7) Whereas support may be given to other specific actions designed, *inter alia*, to facilitate access to the Japanese market by Community enterprises, notably SMEs, to identify and eliminate trade

([1]) Opinion delivered on 13 April 1999 (not yet published in the Official Journal).
([2]) OJ C 304, 6.10.1997, p. 119.

barriers in accordance with the Community market access strategy outlined in Council Decision 98/552/EC of 24 September 1998 [1], to bring high level business missions to Japan to address specific market access issues, to collect information on specific regulatory issues in the field of trade, investment and intellectual property rights in the Japanese market affecting Community business interests, to establish conferences and seminars to promote European Union-Japan trade and investment relations and to promote initiatives to enhance the visibility of the European Union in Japan;

(8) Whereas the objectives and operating criteria of the programme of specific measures and actions in the area of goods and cross-border provision of services to be undertaken is to be defined by the Commission in close cooperation with representatives of the Member States;

(9) Whereas this Regulation provides for measures to remove trade barriers, to facilitate market access, to promote investment and to promote the export of European Union goods and cross-border services;

(10) Whereas part of the activities falling within the scope of this Regulation are covered by Article 133 of the Treaty; whereas, for the other activities, the Treaty does not provide for powers other than those in Article 308 thereof;

(11) Whereas this Regulation is to expire on 31 December 2001,

HAS ADOPTED THIS REGULATION:

Article 1

In cooperation with Member States, who are primarily responsible for the design and implementation of programmes and actions to promote the exports of Community goods and cross-border services in third country markets, the Community shall implement a specific, coherent and targeted programme of measures and actions that complement and bring added value to the efforts undertaken by Member States in the Japanese market.

The activities of Member States to draw up and implement policies, programmes and arrangements to promote their exports of goods and cross-border services to third country markets shall not be affected by this Regulation.

Article 2

1. Within the limits established annually by the budget authority, the Community programme shall consist of the following two principal measures and actions:

(a) a training programme ('Executive Training Programme') to build up a pool of European executives able to communicate and operate in the Japanese business environment,

(b) the recruitment, training, pre-mission preparation and participation of groups of European business executives, notably from SMEs, to participate in actions in Japan aimed at improving their commercial presence on the Japanese market (the 'Gateway to Japan' campaign). The objective of the campaign shall be:

— to enhance trade and investment relations with Japan,

— to increase the understanding of Japanese trade and investment regulations and business practices.

2. In addition to the measures and actions referred to in paragraph 1, support may be given to the following actions and measures, where appropriate:

(a) special actions that facilitate access to the Japanese market by Community enterprises, notably SMEs;

(b) special measures to identify and eliminate trade barriers in accordance with the Community's market access strategy;

(c) the collection of information and policy advice on specific regulatory issues, in the field of trade, investment and intellectual property rights in the Japanese market which may affect Community business interests;

(d) conferences and seminars to promote trade and investment relations between the European Union and Japan and initiatives to enhance the visibility of the European Union in Japan;

(e) high-level business missions to address specific market access issues in Japan;

(f) studies to evaluate the effectiveness of measures and actions undertaken within the framework of this Regulation.

3. When implementing paragraph 2, the Commission shall ensure the full compatibility of specific activities with the policies of the Community and the Member States, and shall make an annual report.

[1] OJ L 265, 30.9.1998, p. 31.

Article 3

1. The Commission shall present to the European Parliament and the Council by 1 September 2000 an evaluation report including the results of the control and monitoring operations financed; this report shall also take account of contractual obligations and principles of sound and efficient management. It shall include the results of a cost effectiveness analysis.

2. In carrying out the activities referred to in Article 2, the Commission shall be assisted by a committee of an advisory nature composed of the representatives of the Member States and chaired by the representative of the Commission.

The representative of the Commission shall submit to the committee a draft of the measures to be taken. The Committee shall deliver its opinion on the draft, within a time limit which the chairman may lay down according to the urgency of the matter, if necessary by taking a vote.

The opinion shall be recorded in the minutes; in addition, each Member State shall have the right to ask to have its position recorded in the minutes.

The Commission shall take the utmost account of the opinion delivered by the committee. It shall inform the committee of the manner in which its opinion has been taken into account.

Article 4

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Communities*.

It shall expire on 31 December 2001.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 11 May 1999.

For the Council

The President

L. SCHOMERUS