

**The Green Alliance –
A New Phase in EU-Japan Cooperation**

Zöld Szövetség –
Új szakasz az EU-Japán együttműködésben

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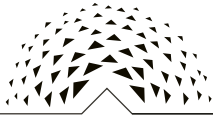
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Abstract: This paper analyses the bilateral relationship between the European Union and Japan through various, mainly economic partnerships. These economic partnerships have become stronger through time, and now Japan and the European Union are working together in different dimensions, for example in the Green Alliance climate political partnership. Green Alliance is a strong environmental cooperation that promotes the use of renewable energy and supports scientific and business cooperation between Japan and the European Union. The paper briefly introduces the history of Japan-EU relations and their most important partnerships. For a comparison with EU-Japan partnerships, the paper also describes US-Japan partnerships, as the US has been Japan's key partner since the 1950s.

Keywords: Japan, European Union, partnership, economic, climate policy

Absztrakt: Jelen tanulmány célja az Európai Unió és Japán közötti kétoldalú kapcsolatok elemzése a különböző, elsősorban gazdasági jellegű partnerségeken keresztül. Ezek a gazdasági partnerségek az idők során egyre erősebbé váltak, jelenleg a Japán és az Európai Unió több különböző dimenzióban dolgozik együtt, például a Zöld Szövetség elnevezésű klíma politikai partnerség keretein belül. A Zöld Szövetség egy erős környezetvédelmi együttműködés, amely elősegíti a megújuló energia használatát, és támogatja a tudományos és üzleti együttműködést Japán és az Európai Unió között. A tanulmány röviden bemutatja a Japán-EU kapcsolatok történetét és a legfontosabb partnerségeket. Ezen túl a dokumentum bemutatja az USA-Japán együttműködést is, mivel az USA az 1950-es évek óta Japán legfontosabb partnere. Így összehasonlítható az USA-Japán és az EU-Japán együttműködés.

Kulcsszavak: Japán, Európai Unió, együttműködés, gazdasági, klíma politikai

INTRODUCTION

With the end of World War II, Western European countries turned away from Japan due to their war experience. Although Japan entered the General Agreement on Tariffs and Trade (GATT) in 1955, and in 1960 Japanese products started to circle into the [European Communities \(EC\) and the economy flourished between the EC and Japan](#). Although in the post-war years the relationship was rocky due to Japan's trade controversy with European countries. At the time, Western European countries saw Japan as an outsider and placed import restrictions on a wide range of goods from there. Negotiations between the EC and Japan started, and in 1975 import restrictions were lifted on [Japanese](#)

[textiles](#). A Japanese Mission to the EC was opened in Brussels in 1976, and the relationship between Japan and the EC started to blossom. Then in 1991 the EC and Japan issued [the Hague declaration](#), which strengthened the bilateral relationship between the EC and Japan. The declaration came to life at a hopeful time, after the end of the Cold War, and it included values such as the rule of law and democracy, as well as the aim to cooperate in the development of humanitarian and peacekeeping policies, providing an [institutional consultative framework](#).

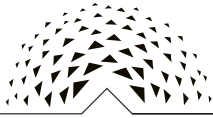
ECONOMIC PARTNERSHIPS

In the beginning, the partnerships between the European Union and Japan were mainly economic in nature. The first partnership was the Joint Action Plan for EU-Japan Cooperation, which came to life in 2001 and included 100 areas of cooperation on an economic and security level. It included four main sections: promoting peace and security; strengthening the economic and trade partnership; coping with global and societal changes; and bringing together people and cultures. It was also important regarding counterterrorism and has reinforced [bilateral relations](#) between the EU and Japan.

Another joint project was the [Mutual Recognition Agreement](#) (MRA) in 2002. Through the MRA, Japan and the European Union can promote trade in the areas of electrical products, good laboratory practice, telecommunications equipment, and [good manufacturing practice](#). The Mutual Recognition Agreement is led by a Joint Committee, in which both parties are represented.

Two recent projects are the Economic Partnership Agreement (EPA) and the Strategic Partnership Agreement (SPA), both of which entered into force in 2019. The EPA has generated a free trade zone for the two parties. The negotiation process about the EPA was part of the [Global Europe](#) initiative in 2006. The EPA is a complex trade agreement that regulates sustainable development and intellectual property. It is expected that the EPA will create a simpler trade system and help small firms enter the market by [reducing investment](#) and export costs, and Japanese firms will be able to import into the European Union more easily.

The SPA, on the other hand, is mainly an economic partnership that furthers bilateral partnerships, non-proliferation, international and regional cooperation, and a reform of UN and scientific cooperation. The [Stockholm School of Economics](#) sees the SPA as a tool for creating their own ground in the international field next to China and the US. The SPA also tackles climate change in Article 24, stating that the parties should cooperate to limit temperature increase to 1.5 degrees, and support the development of low-carbon technology, to assist third countries in the promotion of sustainable development.



PARTNERSHIPS REGARDING CLIMATE CHANGE

Prime Minister Suga introduced the [Japanese Green Growth Strategy](#) in October 2020, the main goal of which is to achieve [carbon neutrality](#) by 2050, through creating climate-neutral strategies to reduce greenhouse emissions. Another climate policy of Japan is the [Basic Energy Plan](#), which should help the country in the realization of renewable energies as the main power source. The Basic Energy Plan is valid until 2030 and includes the 3E+S principles. These principles are Safety (to improve technological and governance reforms), Energy security (to become self-sufficient through more energy supply possibilities), Environment (Japan must distance itself from fossil fuels), and Economic efficiency (industrial competitiveness should be boosted). The Basic Energy Plan also contains a [plan](#) for the long run, by cutting 80% of greenhouse gases by 2050. Although Japan and the EU have created several partnerships that deal with climate change policy, both Japan and the European Union belong to the largest [greenhouse gas emitters](#).

Following the EPA and the SPA, the [Partnership on Sustainable Connectivity](#) was signed in September 2019. It is a platform that includes transparent digital and energy exchanges, where the energy exchange consists of cooperation in hydrogen and liquefied natural gas. The EU and Japan have their own policies on climate change, and these policies have implications for future partnerships that are solely about climate change. One such partnership could be the Green Alliance

In May 2021, the European Union and the Government of Japan created another alliance, called the Green Alliance, focusing on a closer [partnership](#) in “energy transition, environmental protection, regulatory and business cooperation, research and development, sustainable finance and facilitating transition in third countries”. Both the EU and the Japanese government see this alliance as a milestone. The [five goals](#) of the Green Alliance are:

1. developing low-carbon energy technologies that can create sustainable energy
2. conserving biodiversity
3. fostering business exchange to achieve climate-neutral technologies
4. supporting scientific collaboration regarding renewable energy and decarbonization projects
5. promoting transparent communication about sustainable finance and investment.

Hydrogen is seen as essential in the replacement of fossil fuels. Although hydrogen can be produced from fossil fuels like by burning coal this is called [blue hydrogen](#). But this process creates greenhouse gases that can be held and stored

in the ground, it is not considered sustainable. Blue hydrogen can turn into [green hydrogen](#), the type of hydrogen that can be created by the electrolysis of water, with the [electricity](#) coming from a renewable energy source. In November 2021, the European Commission [stated](#) that green hydrogen should be within reach by 2030, as the production costs of green hydrogen will become lower. The Green Alliance also supports low-carbon technologies such as hydrogen.

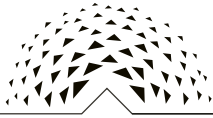
In 2020, the European Commission issued the report [A hydrogen strategy for a climate-neutral Europe](#), a roadmap for creating a value chain for green hydrogen production. The EU also has its own European Clean Hydrogen Alliance, which was created in July 2020 to support the deployment of clean hydrogen technologies by 2030. The members of the Clean Hydrogen Alliance are actors of the industry, civil society, and public authorities. The [Third European Hydrogen Forum](#) took place in November 2021, featuring 750 hydrogen projects in which alliance members are taking part to boost the European hydrogen economy. As a result of the 2022 Ukrainian-Russian conflict, it is even more important to lower the EU's energy dependency. The RepowerEU plan launched by the Commission sees hydrogen as an essential part of the strategy, setting up an [investment fund](#) of EUR 28-38 billion for hydrogen infrastructure for pipelines within the EU territory and EUR 6-11 billion for storage.

Furthermore, climate change is becoming a phenomenon that is challenging at the military level as well. At the 2021 June G7 Summit, the participants agreed that greenhouse emissions must achieve net-zero by 2050. For Japan it is important to build a [Climate Alliance](#) with countries that share the same values as Japan, such as freedom, democracy, and the rule of law. The European Union is a core supporter of these [values](#), which could therefore be a good [foundation](#) for a climate alliance.

US-JAPAN PARTNERSHIPS COMPARED TO EU-JAPAN PARTNERSHIPS

The US-Japan alliance was established in 1951 as a security cooperation and was strengthened in 1960 with the Treaty of Mutual Cooperation and Security to ensure the security of the Indo-Pacific, which is important to the US. The Treaty allows the US to station its own forces in Japan, which is now a host nation for the US army. In the 2022 Joint Statement of the U.S.-Japan Security Consultative Committee ("[2+2](#)"), both the US and Japan see the Treaty of Mutual Cooperation and Security as the basis for peacekeeping in the Indo-Pacific region. The Indo-Pacific is a key region from the Pacific coastline to the Indian Ocean, as two-thirds of the world economy resides here, making it important for big players such as the US and China.

In addition to the security goals, the bilateral relationship covers fields such as international trade and environmental protection. First, the US and Japan have formed the US-Japan Partnership on Trade, which aims to strengthen the United



States-Japan trade relationship through a commitment to advancing bilateral collaboration on trade-related topics and issues of common interest, as well as to secure regular, ongoing engagement in addressing bilateral trade issues. The main areas of the partnership include cooperation in regional and multilateral trade-related, third-country concerns, digital economy, multilateral cooperation, and environment protection. The [Partnership on Trade](#) is a fresh achievement, with the first series of meetings having taken place in February 2022. During the first meeting progress was made in that both countries should focus on resilient supply chains and the growth of digital technology in customs trade facilitation. Regarding environmental protection at a global level, the promotion of zero-to-low level carbon technologies is highly important. The next [meetings](#) of the Partnership will take place in the summer of 2022.

In addition to trade, the two countries are also allies in environmental protection. In April 2021, President Biden and Prime Minister Suga launched two partnerships, the Competitiveness and Resilience Partnership (CoRe) and the U.S.-Japan Climate Partnership within the Japan-U.S. Clean Energy Partnership framework (JUCEP). [CoRe](#) is a scientific and technological partnership that will support the development of 5G networks and create competitiveness in the digital field. It is expected that this partnership will bring positive change to Japan's climate policy. On the other hand, the [U.S.-Japan Climate Partnership](#) focuses on the implementation of clean energy and the transition to a decarbonized society in the Indo-Pacific region. According to the [East Asia Forum](#), due to the U.S.-Japan Climate Partnership, Japan has an ambitious target of cutting 77% of greenhouse gas emissions. [JUCEP](#) will support the partnerships mentioned above by creating a platform for discussion about clean energy. Moreover, it will mobilize the private sector of clean energy suppliers, boosting the exchange between the United States and Japan.

Overall, both the US and the European Union have created partnerships with Japan in the fields of economics, trade, and environmental protection. The most significant difference is that the US puts more emphasis on security cooperation than the European Union due to its aim of stabilizing the Indo-Pacific area and its historical security alliance with Japan.

EU-JAPAN SUMMIT 2022

The [EU-Japan summit](#) took place in May 2022, and both parties condemned Russia's unjustified and unprovoked military action. At the summit, the EU and Japan stated that they want to continue their cooperation in the Indo-Pacific and include the ASEAN in the regional cooperation. The testing of ballistic missiles by North Korea was also condemned, and the situation in the East China Sea raised serious concern among the parties. The parties also announced the EU-Japan Digital Partnership to create a sustainable society and the ethical application

of 5G technology. In addition, the Green Alliance continues to combine the shared values of both nations and the determination to fight climate change. The Summit also introduced the EU-Japan Energy Dialogue, which focuses on cooperation on liquefied natural gas to decrease the energy dependency on Russian fossil fuels. Due to the war, Japan has also decided to [cut](#) the Sakhalin-Japanese Natural Gas Pipeline Project. This pipeline was meant to transfer gas from the Russian Sakhalin Island to Hokkaido to supply gas for Japanese users. The Sakhalin-Japanese Natural Gas Pipeline Project meant close cooperation between Russia and Japan in the 2000s and 2010s. Russian gas company Gazprom was meant to operate the [pipeline](#). Climate change makes the military vulnerable to environmental stress and causes rising sea levels, which can make it more difficult to complete military missions.

CONCLUSION

This paper gave a short introduction to EU-Japan bilateral relations in terms of economic and climate policy cooperation. Although the start of the cooperation between the EU and Japan included economic conflicts, in the 1970s the parties improved their relationship. Since the 2000s, economic relations have grown stronger with the Joint Action Plan as well as partnerships such as EPA and SPA. Beside the economic partnership, Japan and the EU have created their own climate policy partnership in the form of the Green Alliance. A new dimension of cooperation was opened with this partnership, as the EU and Japan want to face the challenge of climate change together. This is becoming more important as many countries want to become self-sufficient in energy supply due to the emerging energy prices and the ongoing conflict between Russia and Ukraine. The conflict has created an environment that forces countries to innovate, and the Green Alliance could be a first step towards innovation on both sides. However, it should also be noted that both the European Union and Japan are heavily dependent on fossil fuels. Only time will tell whether the Green Alliance is a dream or a step towards new energy sources and supply systems.