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**IF YOU STAND ON ONE LEG ONLY, YOU
ARE SHAKY:**

PROSPECTS FOR EU-JAPAN COOPERATION



Commonalities between Japan and the EU:

- ✓ Major economic powers and middle powers.
- ✓ Dependence on critical inputs, technologies, and secure supply chains:
 - ❑ Dependence on **US military support** and security guarantees
 - ❑ Dependence on **China**: rare earth, market access, tech: derisking and not decoupling
- ✓ Strive for more strategic room for manoeuvre: **catchwords**
Coercion, resilience, capability, credibility, coalition, deterrence

GEOPOLITICS TRUMPS GEO-ECONOMICS – WEAPONISATION

- Economic power alone no longer guarantees strategic security.
- Coercion has become systemic and cross-alliance.
- Alliance trust is weaker; interdependence is more politicised.
- Economic statecraft is now openly geopolitical.
- Tariffs, export controls, subsidies, and sanctions are used more coercively.

Middle-Power Coalitions

Reaching out to **responsible** actors:

- Responsible to avoid the resurgence of the u policies,
- responsible not to put past achievements at risk and
- responsible in creating a more participatory inclusive of **Global South** and just order.



Middle powers: India, ASEAN, Australia, New Zealand, Canada ...

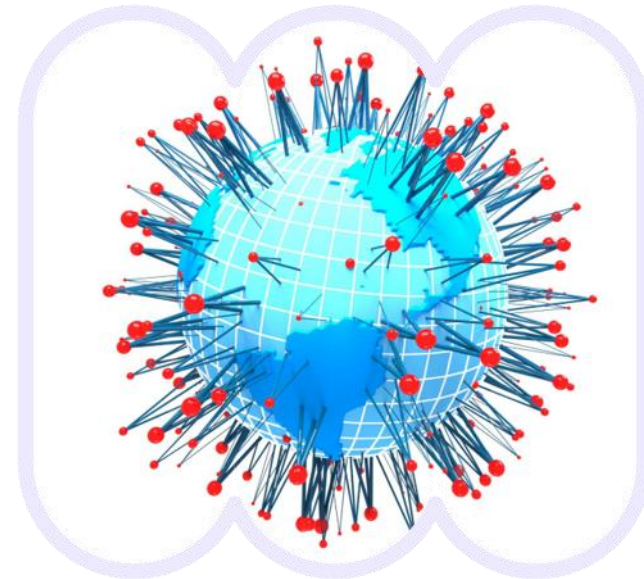
Regional trade agreements: RCEP, CPTPP

Modular multilateralism is replacing universal multilateralism.

Coalitions help reduce dependence, increase resilience & widen options.

MULTILATERALISM: FROM SYSTEM TO METHOD

- EU enlargement;
- ASEAN enlargement to eleven countries;
- OAU joined G20 under Indian chairmanship;
- Indonesia and Thailand started the process to join the OECD;
- BRICS Plus enlarged after having set-up the New Development Bank;
- Asian Infrastructure Investment Bank
- EU launched its Global Gateway;
- APEC
- Annual EU led Asia Pacific Ministerial Forum
- regional FTAs - MERCOSUR, CPTPP, RCEP
- bilateral FTAs: EU-India, Australia, Indonesia, upgrade with Mexico
- minilateralism (QUAD, AUKUS);
- organisations in crisis, WTO, WHO survive



CORNERSTONES OF EU – JAPAN COOPERATION

- **Economic Partnership Agreement**
- Japan's association to Horizon Europe
- **Digital and Connectivity Partnership Council**
- **Critical Raw Materials Alliance**
- **Japan-EU Competitiveness Alliance**
- **High Level Economic Dialogue**, May 2026
- **High-Level Dialogue on Climate Change**, March 2026
- **Annual summits** identifying areas of cooperation, like undersea cables.
- **Business Roundtable** incl. **Digital Industries Roundtable**



The EU faces “a world of imperial ambitions and hostile actors... a permanent state of flux and disorder” (von der Leyen)

-> **Defence is Economic Security: policy change from defensive to proactive**

- Defence readiness shapes economic credibility. If you don't make use of your tools, you lose credibility.
- Industrial capacity must support deterrence and resilience: **indispensability**
- Dual-use technologies connect innovation, trade, and security; tech-leadership

EXAMPLES

- i. **Semiconductors:** Rapidus; EU Chips Act
- ii. **Global Combat Air Programme (GCAP)** next generation of fighter jets
- iii. **change of Japan's arms export policy:** Mogami-class frigates to AUS, Patriot PAC-3, already to US, Type 12 anti-ship, drones and tanks, exports to selected partners with certain strings attached.

EU-Japan Defence Industry Dialogue:

the defence industry cooperation with the EU should be enhanced.

Capacity constraints plaguing both industries, and

diversifying procurement away from dominant producers, the US, the dominant defence equipment supplier to both regions.

Opportunities: joint development of missiles, UAVs, radars

Airbus' military logistics aircraft A400M would strengthen Self-Defence Forces

Defence industry in Japan and Europe needs economies of scale and planning security, to cut costs.

This opens venues of cooperation in the sense of **friendshoring in dual use technology**, relevant for instance with missiles defence and radars and electronic warfare.



EU Security Council



EU White Paper, Readiness 2030:

rearm Europe by

- enabling the industry to produce quickly and efficiently
- facilitating rapid deployment of military troops and assets across the EU.

Means:

- activating the **national escape clause** of the Stability and Growth Pact
- launching a €150 billion loan instrument – **Security Action for Europe (SAFE)**
- supporting the **European Investment Bank Group**

EU **Economic** Security Council

to boost efficiency by centralizing decisions on issues like



- Vetting of inside and outside **investment**,
- **supply and production chain management**,
- **dual use** policies,
- aligning disparate policy tools, like the trade defence and cyber security tool kits with the necessary funding, **“walk the talk”!**
- eliminating **coordination gaps** to make policies mutually supportive,
- **speeding up** decision making to address threats of coercion,
- implement policies to **alter dependencies**,
- provide for **deterrence**,
- **majority voting** to eliminate veto blockages.

Policy Conclusion

- Strategic partners meet weaponisation in increasing resilience
- Institutionalisation : Economic & European Security Council
- Speed, outreach, coordination, and credibility are now essential.
- Outreach: India, ASEAN, AUS, NZ -> middle powers

THRIVING IN UNCERTAINTY

- ✓ The goal is controlled interdependence, not decoupling.
- ✓ Commonalities of interests EU-Japan:
- ✓ Need to move to **implementation**
- ✓ Standing on one leg is no longer enough to be at the table and not on the menu.

