



**UK-JAPAN INDUSTRIAL POLICY DIALOGUE
SECOND ANNUAL MEETING
14 DECEMBER 2018**

Official Summary

Mr. Alex Chisholm, Permanent Secretary at the Department for Business, Energy and Industrial Strategy of the UK (BEIS) and Mr Tatsuya Terazawa, Vice Minister for International Affairs at the Ministry of Economy, Trade and Industry of Japan (METI) co-chaired the 2nd meeting of the Japan-UK Industrial Policy Dialogue (IPD) on Friday 14 December 2018, held in BEIS and in Lancaster House, London.

The co-chairs approved the reports presented by the IPD working groups, noting the various areas of progress achieved, as well as the challenges being addressed. It was agreed that the working groups on bio-economy, energy and space would continue to develop their existing collaboration. Working groups on advanced manufacturing and aviation would also continue, but their scope would be further focused on key topics of interest. It was agreed that the number and the focus of working groups will be kept under review.

Both sides addressed the challenges of ageing as well as assisted living, and also discussed other potential areas for cooperation, including green finance, CAVs, artificial intelligence (AI) and robotics.

The UK shared experience of facilitating a start-up culture, including commitments made in the Industrial Strategy to support this. Particular reference was made to keeping up with the pace of future sectors and ensuring the necessary support was in place for emerging technologies. Japanese experience was shared, with agreement to continue to learn from one another's strengths and to consider how to cooperate to foster the development of start-ups, taking advantage of various events held in both countries. The co-chairs agreed work to facilitate linkages between key institutions in the UK and Japan. Proposals were made to learn from experience of supporting start-ups, and from related mechanisms in both countries.

The two sides shared their respective approaches to energy innovation and outlined supporting strategies. Consideration was given to how government policy can drive energy innovation and cost reduction. Both sides will explore future bilateral cooperation on energy innovation under the energy and climate change working group, and work together to support efforts in multilateral fora to accelerate innovation in clean energy technologies worldwide. Both sides highlighted the opportunity to accelerate energy innovation, taking advantage of Japan's G20 presidency.

UK's experience of disclosure rules and other actions on green finance systems was shared, providing a good reference for Japan's efforts to establish such guidance.

Japan emphasized the importance it attaches to a smooth process for the UK's exit from the European Union, its desire that a no-deal scenario be avoided, and wish to see an orderly transition of existing agreements as well as work on future new agreements.

The third UK-Japan annual Industrial Policy Dialogue will take place in Japan. This will review progress on the working groups and other areas of mutual interest. A possible interim review may be held if deemed appropriate.

Done in London on December 14th, 2018.

Alex Chisholm
For the Department for Business
Energy and Industrial Strategy of the UK

Tatsuya Terazawa
For the Ministry of Economy,
Trade and Industry of Japan