

## ICC Conference Opening Key Note Speech

(9:00~9:15 on July 21th, JOSUI Kaikan)

### 1. (Introduction)

Good morning, everyone. I would like to say a few words at the opening of the ICC Tokyo Conference, as a Chair of Japan Fair Trade Commission, JFTC.

The International Chamber of Commerce (ICC) is an international organization with a long history, date back to 1920, established in Paris. Today, business organizations and companies from more than 170 countries around the world join the ICC and participate in its global activities. The ICC Japan Committee (ICC Japan) was also established in 1923, and I understand that it has been contributing to the ICC activities for many years with the participation of representative Japanese companies.

While the ICC and the ICC Japan Committee have such a long history and are engaged in global activities, I understand that this is the first time that they hold an international conference on competition law (Antitrust) in Japan. Through this conference, I hope that international discussions on competition law will deepen and that participants will enhance their understanding of competition law enforcement and competition policy in Japan.

### 2. (Theme of the meeting)

The theme of today's meeting is "Antitrust Enforcement: Between

Globalization and Deglobalization” and I understand that discussions will be held on individual themes such as sustainability and the digital market regarding companies' initiatives in the current economic and social conditions as well as challenges and trends of antitrust enforcement by competition authorities.

With the advancement of globalization in the economy and corporate activities, competition laws spread across countries all over the world, and competition laws are now enacted in approximately 150 countries and regions around the world. As a result, companies operating globally are now subject to competition law violations in multiple countries and regions, and cross-border mergers, etc. require notification to multiple competition authorities. As a result, while it is important for companies to understand the competition laws of each country and establish compliance systems, there is also a growing need for international harmonization and convergence of competition laws, and efforts have been made to promote international cooperation among competition authorities.

On the other hand, in addition to this expansion of global trade and investment, the recent remarkable progress in the digital economy has required efforts to address such issues as widening economic disparities, social fragmentation, and the growing seriousness of global environmental problems. In addition, political and economic turmoil, such as the COVID-19 pandemic and the situation in Ukraine, have led to issues such as supply chain disruption and global inflation.

Against this situation, which can be described as de-globalization, governments and markets around the world are working together to

address major economic and social challenges in order to achieve sustainable and inclusive economic growth. I believe that the direction of the Japanese government's policy of "realizing a new capitalism" can be understood in line with these global policy trends.

In the areas of competition law and policy, we must respond appropriately to these major economic and social changes. Promoting innovation through fair and free competition. Expanding consumer choice. Achieving appropriate distribution in a fair trade environment. While reaffirming these values that competition laws aim for, we also need to proactively address the issues that are themes of today's conference.

With regard to the competition issues in the digital field that will be discussed today, countries around the world are simultaneously introducing and considering so-called ex-ante regulations, and international coordination and cooperation among competition authorities is also an important issue. With regard to the transition to a green society for sustainability, competition laws and policies can play a role in supporting the realization of a green society by complementing environmental policies from the viewpoint of promoting competition among companies, promoting efficient use of resources, and stimulating innovation such as new technologies. From now on, competition policies are expected to have a role of further promoting and supporting initiatives on the corporate side, in accordance with companies' efforts to realize a green society become full-scale and concrete.

### 3. (Initiatives by the JFTC Related to Each Theme)

Therefore, among today's themes, I would like to introduce JFTC's initiatives in the fields of sustainability and digital market.

#### (1) Sustainability

First, regarding sustainability and competition, which will be discussed in Panel 1, JFTC released the "Guidelines Concerning the Activities of Enterprises, etc. Toward the Realization of a Green Society Under the Antimonopoly Act" or, so-called "Green Guidelines", at the end of March this year. The purpose of these guidelines is to further improve the transparency and predictability of the application of competition law to business activities, thereby supporting business activities for the realization of a green society. For this reason, these guidelines are intended to provide a comprehensive set of ideas with 76 hypothetical examples, including not only joint activities such as business partnerships among companies toward carbon neutrality, but also unilateral conduct and business combinations. In the future, the guidelines will be reviewed on an ongoing basis, while the JFTC proactively responds to consultations from companies in accordance with their specific initiatives and needs.

In addition, a survey report on the Electric vehicle (EV) charging service on expressways was released last week. I believe, the EV charging service market, which is expected to expand rapidly, is such a good example that it is important to realize a green society under fair and free competition through the promotion of new entrants and innovation, under the government's goal of becoming carbon neutral by 2050.

#### (2) Initiatives in the Digital Sector

Next, regarding competition issues in the digital market that will be discussed in Panel 2, JFTC has conducted a series of fact finding surveys and has contributed to the discussion of rule-making throughout the government. In February this year, we compiled the results of a survey on mobile operating systems, etc. In Japan, smartphone operating systems and app stores are dominated by two companies, Apple and Google, and there is no competitive pressure. This has led to problems of the Antimonopoly Act, particularly in the app market and other adjacent markets, such as restrictions on payment and billing systems, restrictions on app distribution, self-preferencing, and exclusion of competitors. On the other hand, ex-post measures under the Antimonopoly Act have challenges such as required time to prove violations. For this reason, in order to complement the enforcement under the Antimonopoly Act, we have clarified our view that it is effective to develop systems based on laws to the extent necessary, including ex-ante regulations.

The final report on the competition assessment of the mobile ecosystem was compiled by the Government's Headquarters for Digital Market Competition on June 16 this year, taking advantage of the findings from the JFTC's survey. The final report sets out specific measures to promote innovation and ensure opportunities for consumers to make choices through competition, while ensuring security and privacy. In the government's "Action Plan for a New Form of Capitalism," the Cabinet approved a policy to "examine the necessary legal system" based on this final report. In the EU, the Digital Markets Act (DMA) came into effect in May this year, and the work to implement it has begun. In our country, the

government's Headquarters for Digital Market Competition will be conducting specific studies on the necessary legal systems, and JFTC will continue to actively participate in these discussions.

Furthermore, in the digital sector, we are conducting a fact-finding study on competition issues related to media and digital platforms, such as the news content distribution sector and the connected TV sector.

In addition, with regard to generative AI, which is rapidly spreading, we would like to keep a close eye on whether there are any problems in light of competition policy, while being fully interested in what business areas and business models will be developed in the future, and the trends in its innovation.

4. (END)

In closing, let me thank all for the opportunity to make this speech, and I would like to conclude my speech by providing a report.

Following this Tokyo Conference on Competition Law which the ICC holds for the first time in Japan, JFTC plans to hold the G7 Summit this fall. Since 2021, competition authorities have been holding summit meetings to promote competition in the digital market within the framework of the G7. This year, Japan is the chair of the G7. We recently announced that the G7 Enforcers and Policy Makers Summit will be held in Tokyo at the beginning of November this year joined by competition authorities and policy makers from G7 countries.

Through this event, we will actively contribute to strengthening international cooperation in order to promote the development of

competitive markets in the digital sector and the effective enforcement of competition laws.

In each session today, the panelists will share their experiences and provide an international perspective. We hope that this conference will become a valuable opportunity to promote a two-way global dialogue and mutual understanding between competition authorities and businesses, and we wish the conference a successful outcome.

Thank you for your attention.

\* Delivered in Japanese. This English version is tentative translation.