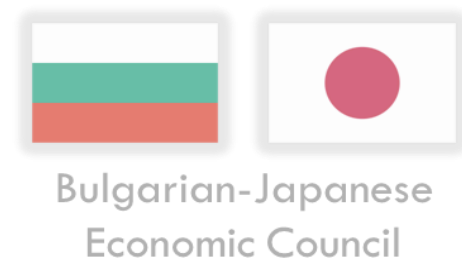


Bulgarian-Japanese
Economic Council

Priorities of the Bulgarian-Japanese Economic Council (BJEC) regarding the EU-Japan EPA and EU- Japan SPA

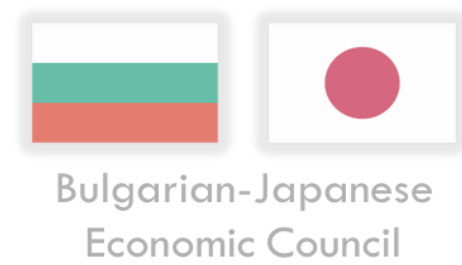


Main focus



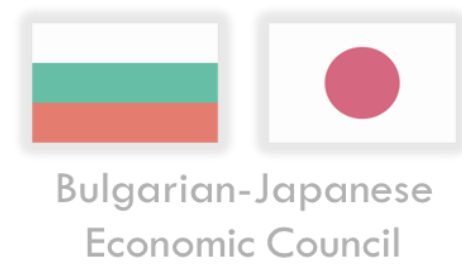
- » Business Perspectives
- » ICT and Digital Transformation
- » Environmental, Demographic and Societal challenges
- » The Economic Partnership Agreement – ratified by EP and the Diet in 2018
- » The Strategic Partnership Agreement - to be ratified by the MS in 2019 - implementation of EPA/SPA (cooperation with government institutions)

Priorities of BJEC in 2019



- » Providing support for doing business to Bulgarian and Japanese investors and entrepreneurs
- » Fostering bilateral initiatives in the spheres of education, entrepreneurship, competitiveness and the use of new technologies in business (more than 28 representatives of Bulgarian SMEs participated in EU-Japan Centre and AOTS trainings)
- » Facilitating the cooperation among public and private initiatives for implementing EU-Japan EPA and EU-Japan SPA, participation in business forums and round tables
- » The new realities demand new skills

Business perspectives



- › The trade between Japan and EU amounted to 90 billion euros. Over 28 billion is related to services
- › Circular Economy package – participation in Yokohama Oct.2018 and EPA/Society 5.0 seminar in Tokyo, Nov.2018
- › Specific key technologies EIT Health, Climate
- › More than 300 Bulgarian companies are already exporting to the Japanese market. Software is among the exported items

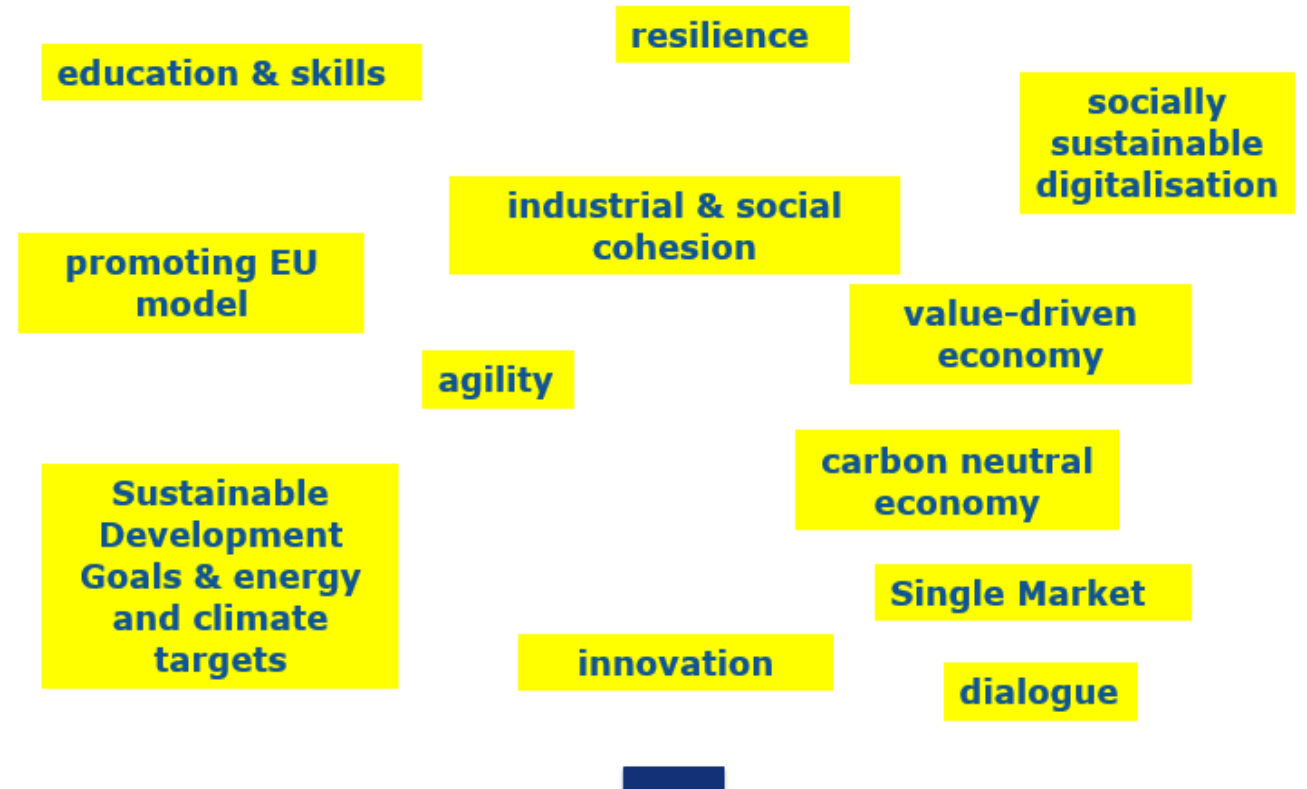
The vision for European industry 2030

Three pillars within the EU Single Market:

- » Transition to a low carbon and circular economy to reach the climate targets
- » Promotion of an educated, skilled and resilient workforce
- » Research and Innovation



1. Vision 2030

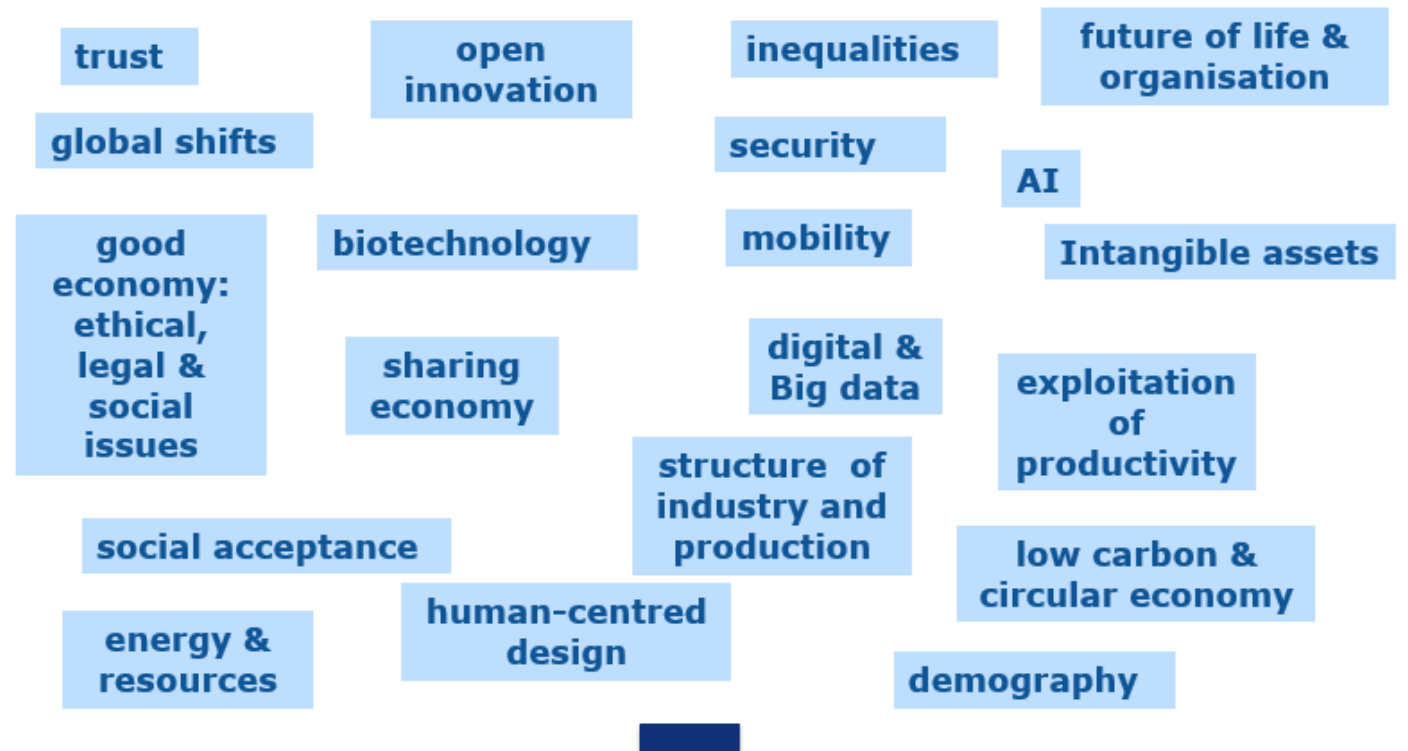


Challenges, trends and strategies

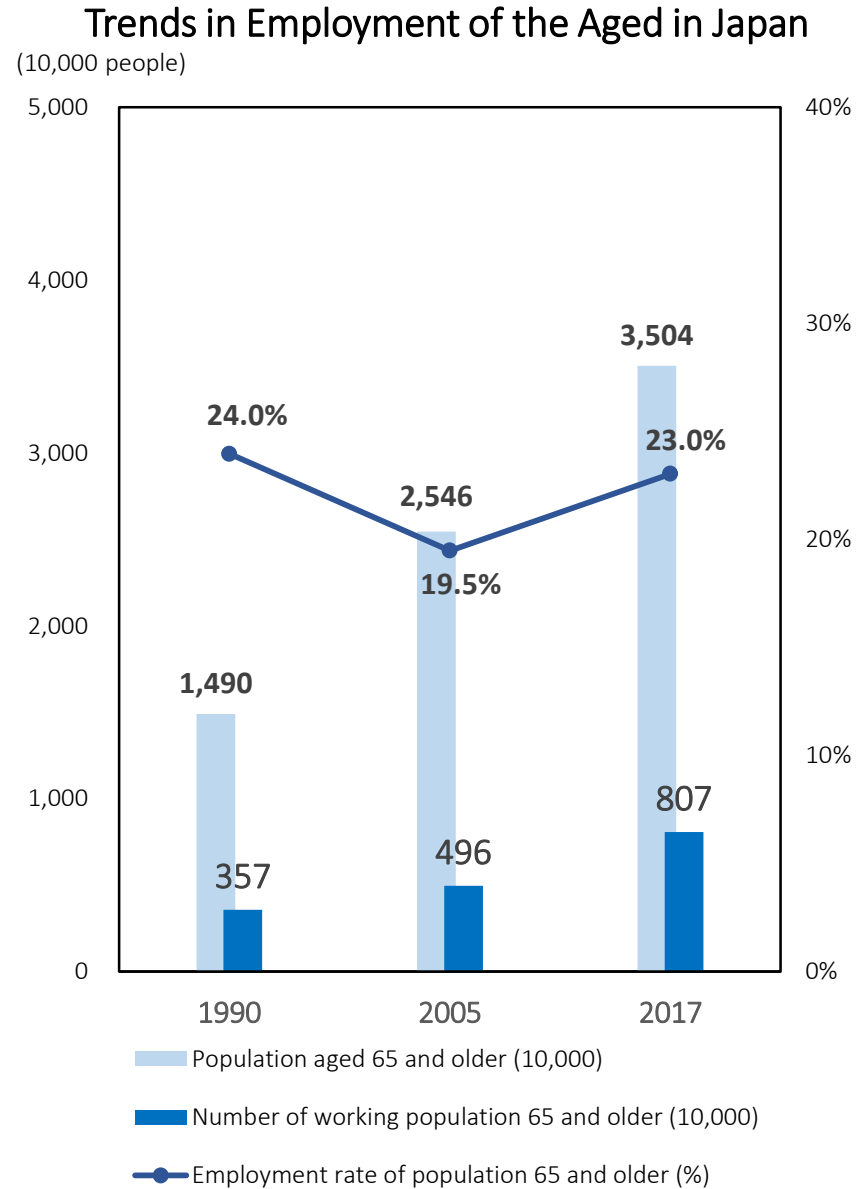
- » Digital transformation and Big data AI
- » Climate change and social acceptance
- » Low carbon and circular economy
- » Mobility and migration
- » Society 5.0
- » Ageing population across Europe



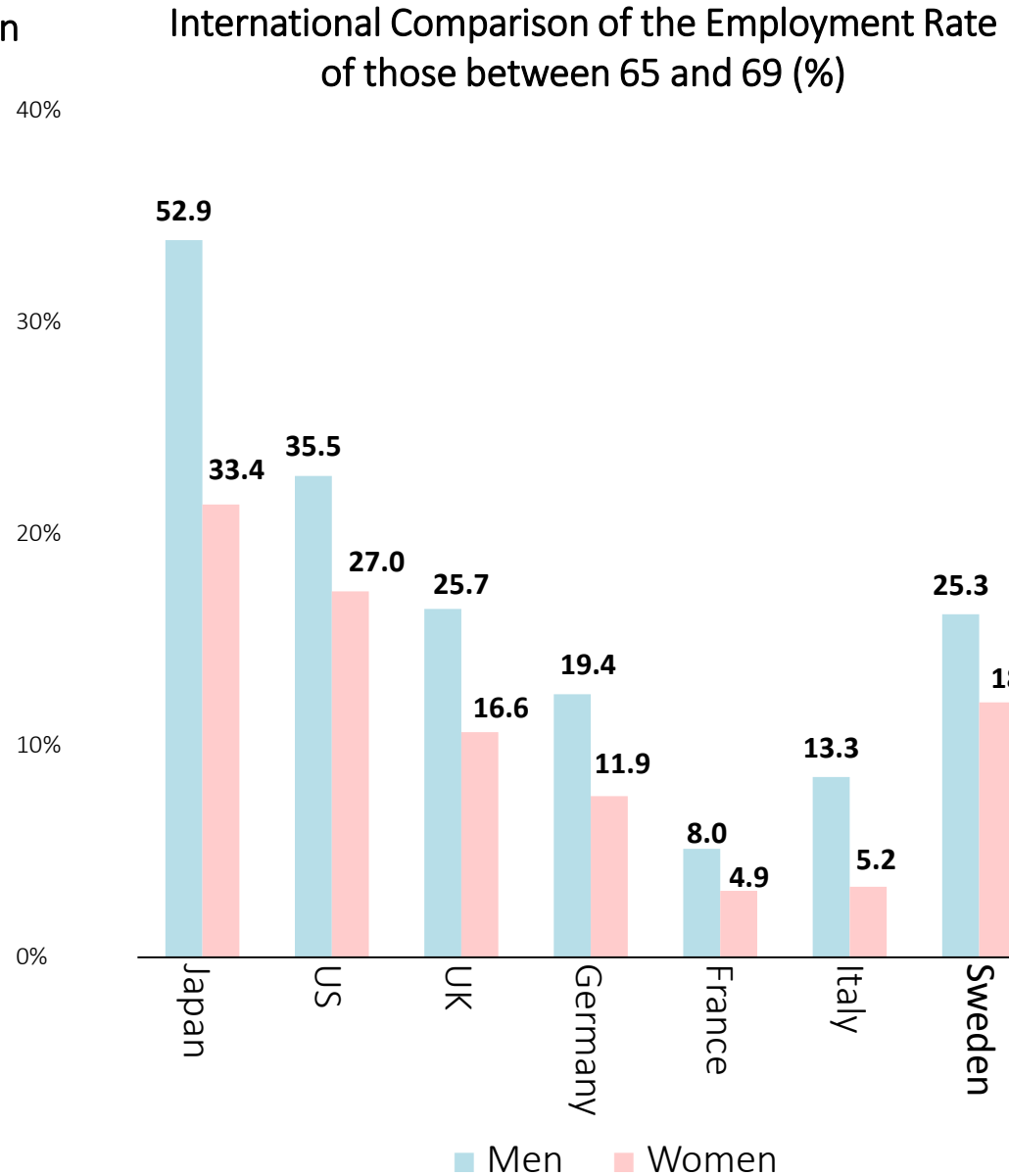
2. Trends towards 2030: opportunities & threats



Trends in Employment of the Aged and International Comparison

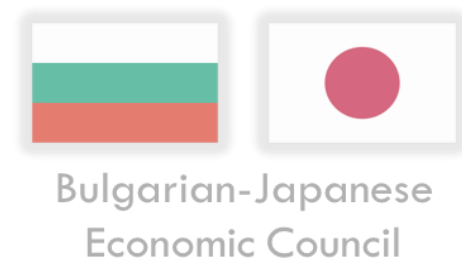


(Source) MIC: Labor Force Survey (Basic Tabulation)



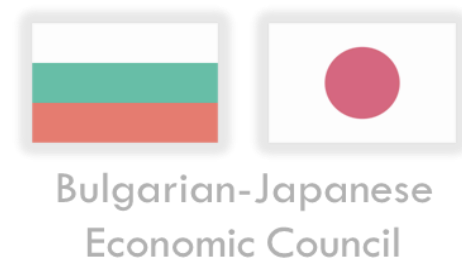
(Source) JILPT Databook of International Labour Statistics (2018)
 (Note) Values from 2016

Digital transformation



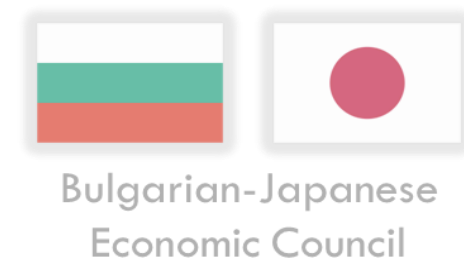
- » Data and digitalization interfere more and more drastically with our everyday lives and business processes
- » Rapid development of revolutionary technologies such as digitization and artificial intelligence, demographic changes and the transition towards a low-carbon and circular economy
- » Megatrends leading to fundamental societal transformation,
The digital transformation could be seen in:
 - Internet of things (IoT)
 - Artificial Intelligence (AI)
 - Robotics
 - Distributed Ledger Technology
(blockchain, crypto currencies => Malta example)

The IT Sector and IT Education in Bulgaria



- » Education and R&D Environment (Faculty of Mathematics and Informatics (Sofia University, Software University, Sofia Tech Park, etc.)
- » The presence of major international IT companies, which have chosen Bulgaria as an investment destination (Ubisoft – France, Proxiad – France, Creative Assembly (SEGA) – Japan, Hewlett Packard, IBM, etc.)
- » Some examples of large-scale mergers and acquisitions in Bulgaria (Telerik (BG) acquired by Progress (USA); Imperia Online (BG) – by Stillfront Group (Sweden)

In focus: success stories of Japanese corporate investment in Bulgaria



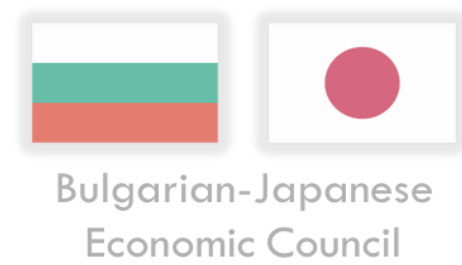
- » BJEC Contribution to Yazaki corporation – success story (automotive industry)
- » Corporate investment in start-ups: Sushi factory (Plovdiv), Sumitomo (Moto PHOE), IT Sector, etc.
- » The Japanese developer SEGA is moving its quality assurance operations from London to Sofia. The Sega Development Services office in Sofia is planned to become operational in June 2020.

Gary Dale, president and COO of SEGA Europe:

"Bulgaria is a European leader for IT development, home to regional offices for some of the most renowned tech outfits in the world including IBM and Hewlett Packard and has a history of technological accomplishment and innovation".

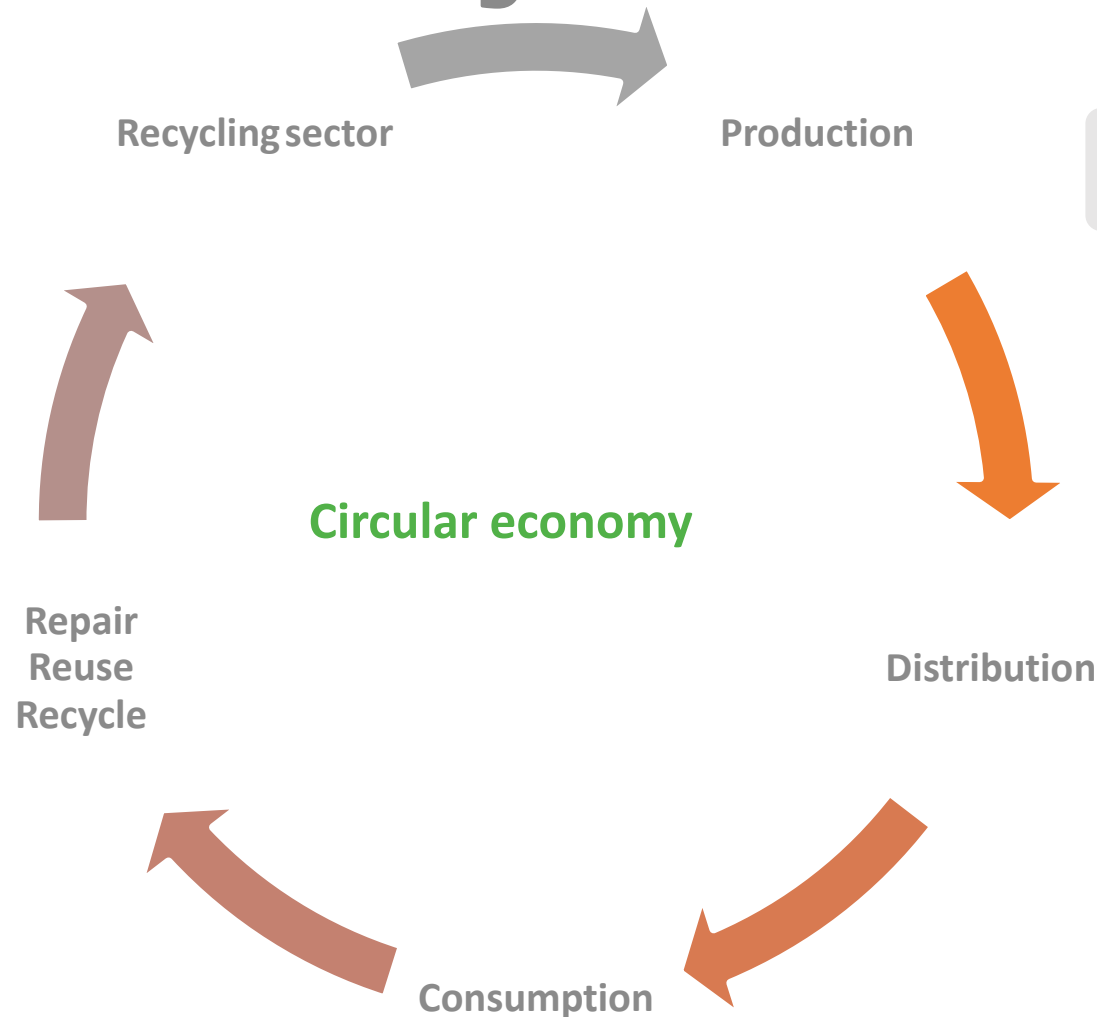
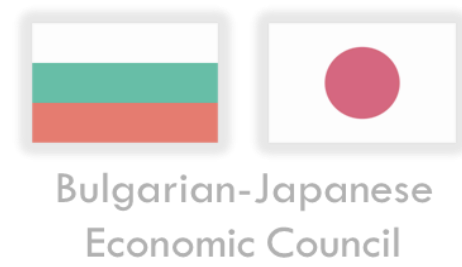
Source: Gamesindustry.biz

BJEC and JBEC support EU Circular Economy Action Plan



- » The EU Circular Economy Package was adopted in December 2015 simultaneously to the signature of the Paris Agreement on Climate Change, under the auspices of United Nations Framework Convention on Climate Change (UNFCCC)
- » It involves structural and technological changes, needed for the sustainability of the economy to 2030 and beyond
- » The EU Circular Economy Action plan requires the deployment of new technologies, processes, services, business models and behaviours (70/30 ratio)

Circular Economy vs. Linear Economy



Linear economy



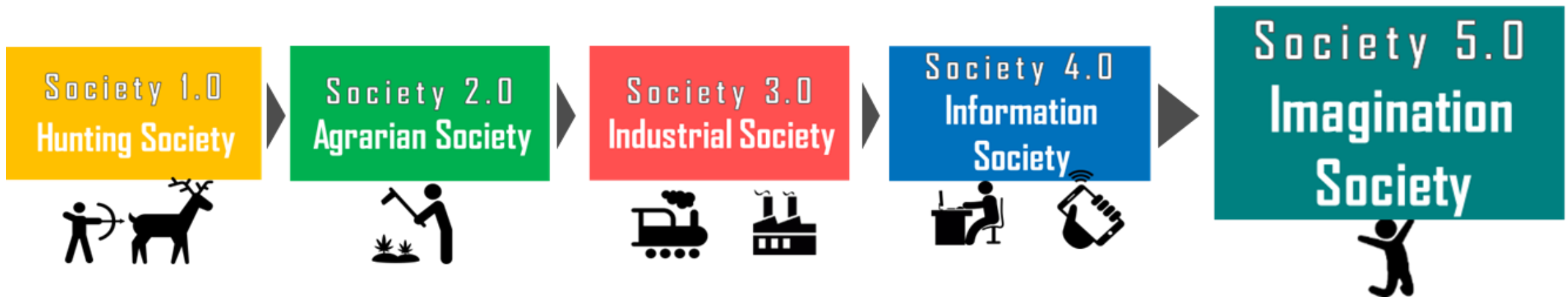
- Circular economy means a zero waste programme.
- Circular economy also means reuse of electronic goods, reducing waste-to-incineration, decarbonisation of transport and new waste-to-energy technological approaches.
- According to the International Energy Agency, improved energy efficiency in buildings, industrial processes, and transportation could reduce by one third the world's energy needs in 2050, and help control global emissions of greenhouse gases.
- But most of all, circular economy means societal engagement, collaborative regulations, common standards and incentives for consumers and manufacturers for implementation of INDUSTRY 4.0

Beyond Industry 4.0



Bulgarian-Japanese
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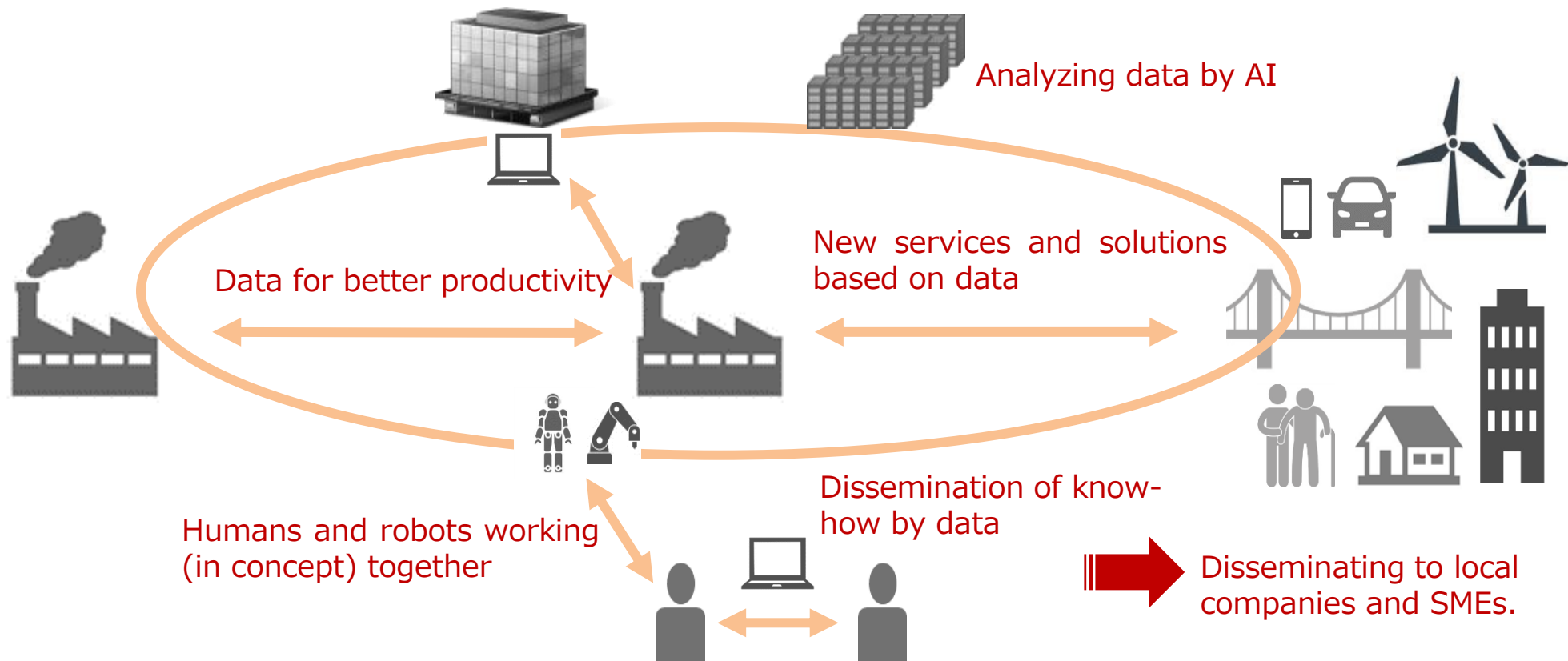
Society 5.0 – the Japanese Concept



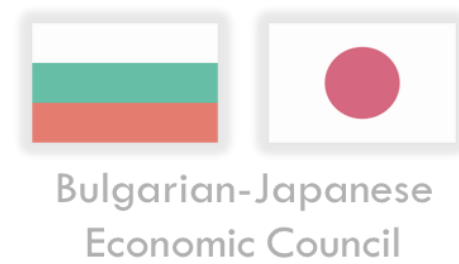
Connected Industries (SME Chapter in

Future goals

Connecting data and using data efficiently will encourage innovation, better productivity and dissemination of technology.



Access to Finance for single and joint projects of SMEs – The COSME and HORIZON 2020 programs (suitable for the SPA)



» Program for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME)

- 2 financial instruments
- COSME Loan Guarantee Facility
 - COSME Equity Facility for Growth

https://ec.europa.eu/growth/access-to-finance_en

» HORIZON 2020

<https://ec.europa.eu/programmes/horizon2020/en/>

Thank you



Bulgarian-Japanese
Economic Council

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