



IAFEI Weekly Update

Knowledge, Resources, News, and Announcements

This is an issue of IAFEI Weekly Update for the week of June 10, 2024.

Valued All IAFEI Board members, ExCom members & Advisory Committee members:

The following interesting articles and useful information await you in this issue. I hope you enjoy reading them.

My special thanks to Conchita and Piergiorgio for their contributions.

Please feel free to circulate this Weekly Update within your organization. I am hoping that this Weekly Update may increase the value of IAFEI membership. If you have any suggestions, or recommendations, or would like to participate to provide articles, please do not hesitate to contact me.

Thank you for your continuous support and I would love to hear from you.

Tsutomu Mannari

Chairman of IAFEI

(Total 8 pages)

Upcoming Events

Date	Time	Event
June 10, 2024	12 PM CET	Chairpersons Meeting – OTC Technical Working Group
June 18, 2024	12 PM CET	Quarterly Executive Committee Meeting
June 27, 2024	10 AM CET	IAFEI Webinar
	03 PM	Ho Chi Minh City
	04 PM	Beijing, Taipei, Manila, Singapore
	05 PM	Tokyo

News from IAFEI Secretariat

Our **website** has been updated. You are welcome to visit www.iafei.org .

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■ **S&P Global Ratings** | Event Information

Date: Monday, June 17, 2024

Sustainability Focus Series

Climate Transition: Shifting Policy Narratives and a Metals Sector Perspective

[Read More and Register >>>](#)

(↑ Contributed by Ms. Conchita L. Manabat)

■ **BUSINESS EUROPE** | MAY 30, 2024

Economic security: Striking the right balance between security and competitiveness

BUSINESS VIEWS ON A EUROPEAN ECONOMIC SECURITY STRATEGY

The new analysis underscores the need for a renewed partnership between the European Commission, Member States, and the private sector to ensure uniform rule and regulation application across the EU. As many of the EU's trading partners develop their own economic security strategies, (....)

[Read the Article >>>](#)

(↑ Contributed by Mr. Piergiorgio Valente)

■ **OECD** | JUNE 6, 2024

What's new from the OECD in international tax matters?

- Pillar One update: Statement from the Co-Chairs of the BEPS Inclusive Framework
- New members of the BEPS Inclusive Framework
- Looking back on 15 years of tax and development work at the OECD
- G7 progress report on tax co-operation for the 21st century
- Designing a national strategy for countering tax crime

[Read the Articles >>>](#)

(↑ Contributed by Mr. Piergiorgio Valente)

■ **BUSINESSatOECD** | June 2024 Volume

B7 Summit: Reinforcing Competitiveness through Stronger Public-Private Cooperation

Last month, our Chair Rick Johnston spoke at the B7 Summit in Rome – the business forum to the G7 hosted by our Italian member Confindustria. Contributing to the panel Beyond Borders: Charting a New Course for Global Cooperation, (....)

[Read the Articles >>>](#)

(↑ Contributed by Mr. Piergiorgio Valente)

■ **SME UPDATE** | June 2024

Highlights

- Corporate sustainability due diligence Directive finally adopted
- New anti-money laundering rules adopted with changed and new provisions that will impact small practitioners
- Influential new reports set out expectations for the priorities of the next European Commission

[Read the Articles >>>](#)

(↑ Contributed by T. Mannari)

■ ANNUAL JAPAN BUSINESS DAY 2024 (Dusseldorf, Germany) | May 27, 2024**Theme : OPEN ENNOVATION - Part 1 -**

On Monday, May 27, during the "Dusseldorf Japan Week 2024", a symposium titled "Open Innovation" was held in the same city. I would like to introduce new wave of the open innovation collaboration between Germany and Japan by reporting two keynote speech. One was made by Mr. Kataoka, Deputy chairman of JETRO (Japan External Trade Organization) and Prof. Dr.-Ing. Eike Permin of Cologne Tech University. (....)

[Read the Article >>>](#)

(↑ Contributed by T. Mannari)

S&P Global Ratings | Event Information

Date: Monday, June 17, 2024 9:00 a.m. New York
 2:00 p.m. London
 3:00 p.m. Central Europe

Sustainability Focus Series

Climate Transition: Shifting Policy Narratives and a Metals Sector Perspective

Please join S&P Global Ratings' analysts for a live webinar presenting our research findings on the theme of climate transition. First, we present our latest research on how the climate policy paradigm is shifting towards a model in which economic growth and decarbonization can coexist. Then we explore how one of the key hard-to-abate sectors – metals – is positioned to manage potential credit risks stemming from its decarbonization challenges.

Register for the complimentary webinar, taking place on Monday, June 17, 2024 at 9:00 a.m. EDT.

Key discussion points:

- How focus of climate policy has expanded to include not only the costs of the energy transition but also opportunities, but hurdles remain for further growth and decarbonization.
- Why metals companies face a technologically complex and lengthy transition, and our view on the key drivers of credit quality for global metal producers, the key mitigants they might have and the specific challenges they face as regional carbon-related legislation are uneven around the globe.

[Register Now >>>](#)

(Reposted from: S&P Global Ratings Newsletter, June 5, 2024)

BUSINESS EUROPE | MAY 30, 2024

Economic security: Striking the right balance between security and competitiveness

BUSINESS VIEWS ON A EUROPEAN ECONOMIC SECURITY STRATEGY

The new analysis underscores the need for a renewed partnership between the European Commission, Member States, and the private sector to ensure uniform rule and regulation application across the EU. As many of the EU's trading partners develop their own economic security strategies, it is crucial to promote coordination in areas of common interest. Director General Markus J. Beyrer said: "For us, the Strategy must be anchored in the principles of competitiveness and openness.

The protection of vital security interests must not be used as cover for disguised protectionism, and it must not endanger the integrity of the Single Market and the free movement of capital. To this end, the three pillars of the Strategy as proposed by the European Commission – Promote-Protect-Partner – should be given equal importance. It is also crucial that any initiatives and tools are precise, proportionate, and predictable, and designed to mitigate well-defined risks."

[Read our Position Paper >>>](#)

(Reposted from: BUSINESS EUROPE Headlines, May 30, 2024)

ANNUAL JAPAN BUSINESS DAY 2024 (Dusseldorf, Germany) | May 27, 2024

Theme : OPEN ENNOVATION - Part 1 –

North Rhine-Westphalia (NRW), with Dusseldorf as its capital, stands as the most significant hub for Japan in both Germany and continental Europe. Since 2002, the state, the city of Dusseldorf, and the local Japanese community, alongside their partners, have been hosting the annual Japan Business Day, one of the largest German-Japanese business conferences. This event, an essential component of Dusseldorf Japan Week, highlights Dusseldorf's prominence as a key location for Japan and caters to both German and Japanese business leaders.

URL: <https://www.japantag-duesseldorf-nrw.de/erleben/wirtschaftstag>



On Monday, May 27, during the "Dusseldorf Japan Week 2024", a symposium titled "Open Innovation" was held in the same city. I would like to introduce new wave of the open innovation collaboration between Germany and Japan by reporting two keynote speech. One was made by Mr. Kataoka, Deputy chairman of JETRO (Japan External Trade Organization) and Prof. Dr.-Ing. Eike Permin of Cologne Tech University.



[Open Innovation - New opportunities for collaboration between Japanese and German companies] by Mr. Susumu Kataoka (Deputy Chairman of JETRO)

Mr. Kataoka introduced 5 Features of Japanese Ecosystem for Open Innovation as:

1. Increasing emergence of skilled entrepreneurs and startups with a global outlook.
2. Expansion of international accelerators and venture capital firms beyond Tokyo, reaching into Japan's regional markets.
3. A wealth of deep tech startups originating from universities.
4. Robust activity from Corporate Venture Capital (CVC) within Japan.
5. The Japanese government's bold target: to cultivate 100 unicorn companies by the year 2027.

In my view, this could be a new move for Japan. Japanese companies had been trying to compete with other companies in Japan as well as other than Japan only by its own resources. This might be explained by the historical Japanese Bushido value (samurai spirits).

Typical image of Japanese samurai (Warrior) is like in a Japanese proverb "A samurai just put a toothpick between his lips when he has nothing to eat", i.e., "A samurai pretends to be full, even when he is hungry.". This saying highlights the idea of maintaining one's dignity and composure, even in difficult circumstances. It emphasizes the importance of pride and appearance, suggesting that a person of honor should not show their weaknesses or hardships openly.

Two typical example of **samurai's norms** (* see the [Culture Note](#) at the bottom of this article) are 1) Seppuku (Official way of suicide) to avoid any dishonor of himself or his family and maintain his face 2) "Adauchi" an official revenge in the Edo period under which any samurai whose parents were killed was authorized to kill his enemy.

He was forced to commit to this "Adauchi" otherwise he can be deemed as Unfilial or coward. The main focus of "Adauchi" was not revenge but the maintenance of the samurai's will and face. Appearance matters the most for Samurai. Similarly, many Japanese companies had been forced to pretend to have all the resources in house and feel shame to ask for help or cooperation of other company.

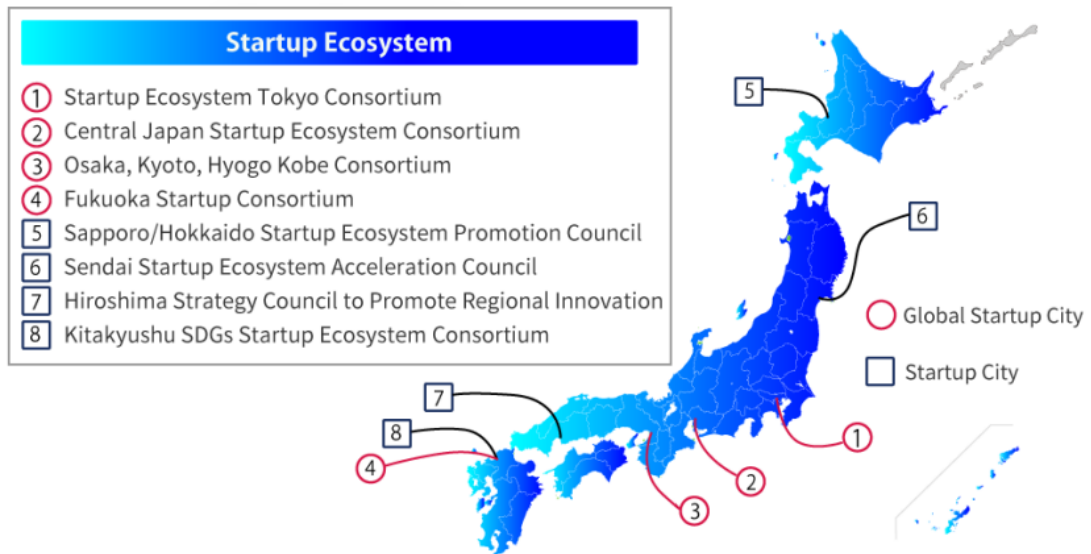
Each individual samurai was very brave and never scared death but easily been defeated by the organized foreign warriors. A head of samurai required to declare his origin of lineage before the battle in front of the opponent. This had been the official rule in the battlefield for many years until the middle of Kamakura era in Japan when Mongol military tried to invade Japan.

At that time, the Kamakura shogunate became to realize that their enemy cannot wait for such declaration but to kill him. The Kamakura shogunate changed its strategy from the individuality to the collaboration.

Likewise, Japanese companies had not been good at collaborating with other companies or other parties. However, they became to realize after the collapse of the Bubble economy in Japan in 1990s and lost their competitiveness just as Mongolian invasion to Japan in 14th century. Japanese government started to support these companies who have own unique deep technology and are willing to collaborate with other companies.

Mr. Kataoka introduced "Startup Ecosystem accelerate by the Japanese Government. There have been a lot of unique local initiatives in Japan for which Japanese government would like to support, foster and find foreign partners to collaborate.

Startup Ecosystem accelerated by the Japanese Government



(Source: Compiled from "Startup Ecosystem Cities" September 2021
(Cabinet Office, Council for Science, Technology and Innovation))

: Compiled from German startup monitor 2023)

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Culture Note: "samurai's norms"

This might be explained by the historical Japanese Bushido 8 values (or Samurai spirits, please refer to the bottom of the article).

Bushido's Eight Virtues as explicated by Dr. Inazo Nitobe had been a long history in Japan as, (About the meaning of each Virtue, please see the reference at the bottom of this article).

1. Righteousness (義, gi)
2. Heroic Courage (勇, yū)
3. Benevolence, Compassion (仁, jin)
4. Respect (礼, rei)
5. Honesty (誠, makoto)
6. Honour (名誉, meiyo)
7. Duty and Loyalty (忠義, chūgi)
8. Self-Control (自制, jisei)

Righteousness (義, gi)

Be acutely honest throughout your dealings with all people. Believe in justice, not from other people, but from yourself. To the true warrior, all points of view are deeply considered regarding honesty, justice and integrity. Warriors make a full commitment to their decisions.

Heroic Courage (勇, yū)

Hiding like a turtle in a shell is not living at all. A true warrior must have heroic courage. It is absolutely risky. It is living life completely, fully and wonderfully. Heroic courage is not blind. It is intelligent and strong.

Benevolence, Compassion (仁, jin)

Through intense training and hard work the true warrior becomes quick and strong. They are not as most people. They develop a power that must be used for good. They have compassion. They help their fellow men at every opportunity. If an opportunity does not arise, they go out of their way to find one.

Respect (礼, rei)

True warriors have no reason to be cruel. They do not need to prove their strength. Warriors are not only respected for their strength in battle, but also by their dealings with others. The true strength of a warrior becomes apparent during difficult times.

Honesty (誠, makoto)

When warriors say that they will perform an action, it is as good as done. Nothing will stop them from completing what they say they will do. They do not have to 'give their word'. They do not have to 'promise'. Speaking and doing are the same action.

Honour (名誉, meiyō)

Warriors have only one judge of honor and character, and this is themselves. Decisions they make and how these decisions are carried out are a reflection of who they truly are. You cannot hide from yourself.

Duty and Loyalty (忠義, chūgi)

Warriors are responsible for everything that they have done and everything that they have said and all of the consequences that follow. They are immensely loyal to all of those in their care. To everyone that they are responsible for, they remain fiercely true.

Self-Control (自制, jisei) ...

(To Be Continued to Part 2)