11. Each Party shall examine a measure which has been brought to its attention by a specific written request of the other Party and which may have an impact on the ability of market operators to provide financial services within the territories of the Parties, with a view to rendering, insofar as possible, the measure mutually compatible.

12. Each Party may rescind at any time its decision to rely on the regulatory and supervisory framework of the other Party and revert to the application and enforcement of its own rules, if rules and supervision of the other Party are no longer equivalent in outcome, if the other Party fails to enforce its rules effectively or if there is insufficient cooperation of the other Party in the supervision of financial institutions. The Parties shall consult with each other in an appropriate manner prior to reverting to the application and enforcement of their own rules.

Joint European Union-Japan financial regulatory forum

13. The Parties hereby establish the Joint European Union-Japan financial regulatory forum at the date of entry into force of this Agreement (hereinafter referred to in this Annex as "the forum").

14. The forum is in charge of steering regulatory cooperation between the Parties. In particular, the forum takes stock of progress and undertakes forward planning of regulatory cooperation. The forum shall observe the principles of regulatory cooperation set out in paragraphs 5 to 12 as implemented in the framework envisaged in paragraphs 19 to 21.

15. The forum shall be composed of representatives of both the European Commission and the Government of Japan, including the Financial Services Agency, which are at technical level in charge of financial services regulatory issues. Without prejudice to the right of each Party to decide on the composition of its representation in the forum, each Party may request the other Party to invite representatives from other financial regulatory or supervisory authorities within the territory of the other Party with a view to contributing to the forum's discussions and preparatory work in matters related to the activity of those financial regulatory or supervisory authorities. The other Party should give positive consideration to such request.

16. The meetings of the forum will be co-chaired by senior officials of the European Commission and the Financial Services Agency of Japan.

17. Each Party in the forum shall designate a contact point to facilitate regulatory cooperation. The forum may establish expert working groups to examine specific issues.