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JAPAN

Statement by H.E. Mr. Yohei Kono Minister for Foreign Affairs

First and foremost, today, at the opening of the historic Third Ministerial Conference of the World Trade Organization (WTO), I wish to convey, on behalf of the Government of Japan, our strong determination to ensure the success of this Conference. I would also like to express my sincere gratitude to the Government of the United States, the WTO Secretariat, the City of Seattle, the Seattle Host Organization as well as all the many individuals who have made tremendous efforts to convene this Conference.

Commitment to the multilateral free trade system

As we all know, we have strived to achieve peace and prosperity based on the principles of freedom and democracy for the past fifty years, learning lessons from the two World Wars and the Great Depression that occurred in the first half of this century. In attaining such goals, the multilateral free trade system has indeed been the important cornerstone.

From it inception, GATT has served its role as a guardian god in our fight against protectionism as it has strengthened the rules of international trade and promoted trade liberalization. The volume of world trade has increased almost twenty times since the beginning of GATT. Moreover, we have come to address new issues such as trade in services and intellectual property rights since the establishment of the WTO in 1995. In the meantime, the multilateral trade system has also been further enhanced by improving its dispute settlement mechanism.

As we approach the dawn of the 21st century, we need to make an incessant effort to provide the WTO with more effective functions in this rapidly changing international economic environment, while recognizing the significant role that both GATT and the WTO have thus far played. Toward that end, it is essential for us to declare the commencement of the very first round of negotiations.

Having enjoyed the benefits of free trade and achieved remarkable economic growth, Japan is deeply committed to maintaining and reinforcing the multilateral free trade system. Our commitment is clearly manifested by the fact that not only myself as the Minister for Foreign Affairs but also the Minister of Agriculture, Forestry and Fisheries and the Minister of International Trade and Industry are also present here. The three Ministers are fully resolved to make our utmost efforts for the success of this Conference.

The WTO, in its fifth year, is now faced with two challenges that need to be addressed urgently. The first is for the WTO to find ways to ensure the active participation of developing countries in the new round of negotiations; this relates to the so-called "implementation issues". Among the developing countries, which make up three-fourths of the WTO membership, there are countries which have difficulties implementing the obligations stipulated in the WTO agreements. In

opening the next round of trade negotiations, we need to squarely tackle this challenge. As we do, it is important to conduct a necessary review of the existing rules so that the developing countries can truly benefit from the WTO. In this regard, the Japanese Government attaches particular importance to reviewing the rules on anti-dumping. Furthermore, special consideration should be given to the least-developed countries (LDCs). Japan intends to make serious efforts to extend tariff-free treatment to essentially all products originating in such countries.

The second challenge regards growing concerns on various issues related to the deepening of globalization. Much attention has been paid these days on the impact of trade liberalization on such areas as environmental protection, food safety, the maintenance of rural agrarian communities, and the preservation of culture and tradition. The WTO must address these questions, and this is the second challenge that the WTO currently faces. In particular, the Organization should properly deal with such areas, as sustainable development, GMOs, and the preservation and management of exhaustible natural resources, including forestry and fishery products. As for agriculture, it is important to give due consideration to the issues of food security, and the redressing of the imbalance of rights and obligations between food importing and exporting countries, as well as the multifunctionality of agriculture. The Government of Japan is prepared to cooperate with other countries in negotiations from next year based on Article 20 of the Agreement on Agriculture. However, it would not be constructive for some countries to try to change the starting line of the negotiations, or to prejudge the outcome of the negotiations when negotiations are about to commence.

In addition to the two challenges I have laid out, we must also continue to pursue other issues for the ideal state of what the WTO should be in the 21st century. For this purpose, it is important to respond to new issues such as investment and electronic commerce in the next round of negotiations. Furthermore, we intend to continue our efforts to accelerate the accession processes for the 31 applicants which are currently preparing to join the WTO, in order to make the WTO truly a universal organization.

In conclusion we are now required to tackle numerous issues for which the path to solution has become ever more difficult to find. We, Ministers present here, must, therefore, strongly commit ourselves to the cause of the multilateral free trading system and take the initiative for the success of this Conference. Here in Seattle are gathered not only those representing the government of respective countries but also many participants from non-governmental organizations. This demonstrates the high degree of interests held by the civil society. The issues and concerns for each person may differ from one another, but it is paramount that the peoples of all over the world endeavour for the launch of the new round with the spirit of cooperation, recognizing the historic significance of the negotiations. I would, on my part, like to pledge that Japan will exert all-out efforts to make this Conference a shining chapter in the history of the WTO.