

**MULTILATERAL TRADE
NEGOTIATIONS
THE URUGUAY ROUND**

MTN.TNC/MIN(94)/ST/100
14 April 1994
General Distribution
(UR-94-0203)

Trade Negotiations Committee
Meeting at Ministerial Level
Marrakesh (Morocco), 12-15 April 1994

Original: English

JAPAN

Statement by Mr. Tsutomu Hata
Deputy Prime Minister and Minister for Foreign Affairs

On behalf of the Government of Japan which prides itself as being on one of the co-sponsors of the initiative to launch the Uruguay Round, I heartily welcome its formal conclusion. My deepest respect is extended to the leadership demonstrated by each participant as well as to the contributions made by Director-General Mr. Peter Sutherland, and former Director-General Mr. Arthur Dunkel. Allow me also to express my sincere gratitude to His Majesty King Hassan II and the Moroccan Government which provided this excellent setting of Marrakesh for the signing of this historic agreement.

The conclusion of the Uruguay Round negotiations is extremely important in securing confidence in the world economic order.

As we look back to the bitter lesson learnt in the 1930s, when protectionism stalled world trade and plunged the world economy into the great recession, the importance of the Uruguay Round for the future of the free-trading system and for the expansion and revitalization of the international economy is self-evident.

Japan has taken part in the Uruguay Round with the determination to lead the negotiations to a successful conclusion. Since the outset of the Round seven and a half years ago, I have, in various capacities, held consultations with representatives of many governments, with a view to contributing to the search for a mutually acceptable agreement.

As the world's No. 1 net importer of foodstuffs, Japan faced some difficult issues, such as rice, in the agricultural negotiations. However, Japan made a political decision, which was extremely difficult and delicate, to accept the Agreement on Agriculture, based on the recognition that it was Japan's international responsibility to make an appropriate contribution and exert leadership for the success of the Uruguay Round.

With respect to tariffs on industrial and mining products, Japan has committed itself to a tariff reduction averaging 61 per cent, a far larger reduction than that of other major trading partners. Japan's average tariff rates on these products will be as low as 1.5 per cent.

In the area of trade in services, Japan believes that in order for the new multilateral framework to function, the benefits of trade liberalization should be extended equally to all trading partners. That is why Japan did not seek any MFN exemptions, while other negotiating partners listed many.

As a result of the Uruguay Round, the Japanese market offers greater opportunities for success by foreign exporters depending upon their efforts.

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We must take every possible action to ensure the faithful implementation of the Uruguay Round agreement. It is no exaggeration to state that it rests upon the shoulders of those of us represented here today to see to it that we reap full benefit of what has been achieved in the Round.

In this connection, I would like to call your attention to the loud voices which are becoming a threat to the open and multilateral trading system. I am deeply concerned with protection of domestic industries by the abuse of anti-dumping measures, procedures enabling the introduction of unilateral measures, and inclination towards regionalism. We must keep these problems under constant surveillance and make necessary corrections.

We also need to have firm determination not to allow undermining of the positive results of the Uruguay Round. I welcome the sending of a clear message on this point in the Marrakesh Declaration.

It is also important that we consider issues which are closely related to trade, including regionalism as well as trade and investment, in addition to trade and environment, in order to provide the multilateral trading system with further universality in response to the needs of the era.

Japan is resolved to take the leadership to make the 21st century a century of peace and prosperity. Economic growth, especially that of the developing countries, is essential for the well-being of the world's population, which has already reached 5.5 billion. For that purpose, too, let us work together to establish a stronger multilateral trading system under the World Trade Organization.

It is my earnest wish that each trading partner should act with unwavering determination to maintain and strengthen the free, non-discriminatory and multilateral trading system, in line with the letter and the spirit of the Uruguay Round agreement. In this connection, I would like to conclude my remarks by expressing strong support for the early entry into force of the WTO Agreement.