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Statement by H.E. Minister for Economy, Trade and Industry Mr. Motoo HAYASHI for the Plenary Session at the 10th Ministerial Conference of the World Trade Organization

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I am Motoo HAYASHI, Minister of Economy Trade, and Industry, of Japan. I would like to take this occasion to express our view of Japan. First of all, let me express my sincere gratitude to the Kenyan Government and Her Excellency Mme. Amina Mohamed, Cabinet Secretary for Foreign Affairs and International Trade, for hosting this Ministerial Conference.

The WTO has reached a significant milestone of 20 years since its establishment. During these 20 years, world trade has expanded by four times, and the world GDP has increased 2.8 times from what it was. The share of developing countries in world trade has risen from 27% to 43% and the poverty rate has decreased by 40%. The poverty rate has steadily improved here in Africa as well.

This is the result of the Multilateral Trading System playing an essential role in economic growth and job creation worldwide.

In the Asia Pacific Region, 12 countries, including Japan, have agreed to the TPP Agreement. This is a big step forward in advancing trade and investment liberalization, but FTAs and EPAs cannot be a substitute to the Multilateral Trading System.

As the world economy undergoes structural changes, now is the moment we must strengthen the Multilateral Trading System, reinforce world economic growth, and link this growth to the development of developing countries, in particular the LDCs.

I would like to emphasize the following points as we work to strengthen the Multilateral Trading System.

First of all, while we have continued to negotiate the Doha Development Agenda for 14 years, we have yet to yield sufficient results. We should make our utmost effort to find common ground on what we can on agriculture and development, especially on the LDC issues, at this Ministerial Meeting. Japan is willing to continue working on issues such as agriculture, NAMA, and rules. The current approach, however, has

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failed to produce results, and we need to consider a new approach.

Secondly, the ITA Expansion negotiations, which is in its final phase, through tariff elimination of cutting edge IT equipment and components, will greatly facilitate the dissemination of IT Digital technology throughout society as a whole as well as promote innovation, and contribute to growth worldwide, and it is necessary for participating Members to make maximum efforts towards concluding it. The early entry into force of the Trade Facilitation Agreement and the early conclusion of a high-level Environmental Goods Agreement will also be important in spreading the benefits of trade to both developed and developing countries.

Thirdly, as we experience structural change of the world economy and rapid advancement of technological innovation, we, the WTO Members, should engage in making rules that suit the new era. For example, electronic commerce leads to dramatic productivity gains, facilitates the entry of small and medium enterprises into the global market, and largely benefits both developed and developing countries. We need to consider how the WTO can discuss rules in such new areas going forward.

Lastly, overcapacity seen in some industries due to the slowdown of world economic growth has given rise to a chain of protectionist activities. Free trade is a global public good, and we need to deter such protectionist movements.

It is of great significance that this Ministerial Meeting is being held here in Africa for the first time. It is our common responsibility to see to it that both developed and developing countries grow together through free trade and put an end to poverty.

Let me express my hope that we make a fresh start at this Nairobi Ministerial Meeting, towards strengthening the Multilateral Trading System so that our next generation, and subsequent generations can enjoy the prosperity and riches that free trade will offer. I would like to conclude my speech by expressing the firm commitment of our country to contribute to the utmost to these efforts.