Statement by Parliamentary Senior Vice-Minister Norio Mitsuya

Chairman, (Your Excellency Mr. Gita Wirjawan, Minister of Trade,) (Your Excellency Mr. Roberto Azevêdo, WTO Director General,) Distinguished Ministers,

First, I would like to express my sincere appreciation for Director General Azevêdo, who has demonstrated strong leadership over the past three months trying to reach an agreement on the Bali package at this Ministerial Conference.

In spite of continuous efforts by most members in the negotiation conducted day and night over the past three months, to our deep regret, <u>our work for the Bali package has not been finalized</u>. In addition, it is practically impossible to negotiate the package here in Bali among all 159 members, or 160 including Yemen which will soon join.

However, <u>it is true that we have come very close to reaching</u> <u>success, which seemed totally unattainable three months ago.</u>

If the key members could make political decisions to withdraw their requests to attain the maximum of their interests and show flexibility on some major remaining issues, there could be a possibility, however slight, of reaching an agreement. Without such political decisions as I mentioned, we cannot hope for an agreement even if we extend the negotiation for a certain period. In the midst of the recent trend for mega FTA negotiations by major players, it must be emphasized that many of those key members are the ones who are benefiting the most from the continued functioning of the multilateral trading system.

We have seen significant changes in the global economic structure since the establishment of the WTO, such as the rise of emerging economies and development of global value chains. The WTO is facing an enormous amount of problems it must address. However, if we cannot reach an agreement even on the Bali package, it seems almost meaningless to talk about post-Bali.

On the other hand, plurilateral negotiations are underway at the WTO. It is quite unfortunate that <u>the negotiation to expand the</u> <u>coverage of the ITA</u> has not been concluded though at its final stage. For its swift conclusion, we would like to strongly urge a member requesting extensively large removals from the product coverage to redouble its efforts.

<u>Regarding the GPA</u>, I am happy to share with you that the Japanese Diet approved the Protocol Amending the Agreement on Government Procurement yesterday. We hope that the Protocol will enter into force as soon as possible. Contrary to the progress in plurilateral exercises, we are currently facing difficulties in multilateral trade negotiations.

<u>Under these circumstances, Japan fully supports and asks for</u> <u>DG's last hours efforts to lead the whole membership to a certain</u> <u>landing zone.</u>

In that process, we should not reopen the discussions on the points where convergences have already emerged in Geneva.

Japan stands ready to support DG's efforts.

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