A Successful Hong Kong Ministerial Conference Can Still Save the Doha Development Agenda

— Political Leadership Needed from All WTO Members —

[Now]

DDA is in Crisis

(Confidence in the WTO and support for liberalization through the WTO will fade)

- Failure of the Cancun Ministerial
- Consensus deadline postponed from 2005 to an intermediate date in 2006
- Missing the July 2005 deadline to agree with First Approximation

Sense of crisis throughout the international business community Joint statement / Joint mission

[Solutions]

Political decisions to liberalization

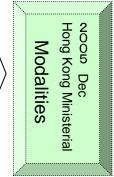
Developed / Emerging economies

- Leadership for successful conclusion of DDA
- Support Developing Countries for capacity building
- Japanese government's comprehensive strategies and combination of its relevant ministries

Developing countries

 Constructive contribution to negotiations by understanding their own benefits of liberalization

[Destination]



Conclusion of DDA

and Failure causes protectionism and political instability

September 20, 2005 Nippon Keidanren

[Benefits of the WTO]

- Global liberalization and rules
- Reliable dispute-settlement mechanism
- Benefits for developing countries

[Key areas of negotiation]

Agriculture

- ·Vital to agree not only to an Improvement of market access but also a reduction or elimination of domestic support and export competition measures
- Japan should clarify its stance of selecting important agricultural products that truly need protection, while showing advisable flexibility regarding less important products.
- ·Support Japanese agricultural reform and hope for sound progress

Trade Facilitation

Agreement on high level binding rules

Non Agricultural Market Access

- ·Support for Swiss formula which enables high tariff reduction
- Continuing sectoral approach of the zerozero or harmonization and remove Non-tariff barriers

Rules

- Development and strengthening of fair and transparent rules under the WTO system
- ·Especially, tightening and clarifying antidumping agreement is indispensable in order to preventing arbitrary and protectionist antidumping measures

Trade in Services

- Submitting revised offers promptly or continuing efforts to submit better ones
- Concrete discussion on supplementary Request-and-Offer approaches

Development

- Special consideration for developing countries in order to promote negotiations
- Official Development Assistance (ODA) for capacity building by developed countries.
- Emerging economies should prepare to be applied the same rules as developed countries Discussions about "Graduation" should begin