



**Trade Policy Review Body
1 and 3 March 2023**

TRADE POLICY REVIEW

JAPAN

MINUTES OF THE MEETING

Chairperson: H.E. Dr Athaliah Lesiba Molokomme (Botswana)

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1 INTRODUCTORY REMARKS BY THE CHAIRPERSON

1.1. The 15th Trade Policy Review of Japan was held on 1 and 3 March 2023. Due to the absence of the TPRB Chairperson, H.E. Mr Ángel Villalobos Rodríguez (Mexico), the Chair of the DSB, H.E. Dr Athaliah Lesiba Molokomme (Botswana), chaired the meeting in accordance with the Rules of Procedures of the TPRB. She welcomed the delegation of Japan, headed by Mr Akihiro Okochi, Deputy Assistant Minister, Economic Affairs Bureau, Ambassador in charge of Economic Diplomacy of the Ministry of Foreign Affairs; H.E. Mr Kazuyuki Yamazaki, Permanent Representative of Japan to the WTO; the rest of the delegation; and the discussant, H.E. Mr João Aguiar Machado (European Union).

1.2. The Chairperson was pleased that, in addition to physical presence, the meeting also benefited from the Interprefy online connection, allowing for a wider participation of the Membership.

1.3. The Chairperson recalled the purpose of TPRs and the main elements of procedures for the meeting. The Report by Japan is contained in document WT/TPR/G/438, and that of the WTO Secretariat in document WT/TPR/S/438.

1.4. Questions by the following delegations were submitted in writing before the deadline: Singapore; China; the Philippines; Thailand; Israel; the United Kingdom; Australia; Chile; Iceland; Switzerland; Argentina; Chinese Taipei; the European Union; the United States; Costa Rica; the Kingdom of Saudi Arabia; Brazil; Türkiye; Norway; the Dominican Republic; Colombia; Canada; Ukraine; New Zealand; Hong Kong, China; Brunei Darussalam; India; and the Russian Federation. The following delegations submitted written questions after the deadline: the Republic of Korea, Kazakhstan, the Republic of Moldova, Malaysia, Ecuador, and Indonesia.

1.5. The Chairperson first recalled some elements of Japan's previous Review and developments since then, as well as identified some key issues arising from the advance written questions submitted by Members for the current TPR.

1.6. During the previous TPRB meeting held on 6 and 8 July 2020, Members had commended Japan on its key role in the global trading system, its integration in the world economy and global value chains, the results of its macroeconomic policy, its policies to promote women's economic empowerment and its response to the COVID-19 pandemic. For the current Review, Members through their advance written questions sought information on issues relating to fiscal sustainability, the impact of the Yen's recent depreciation, measures to address Japan's declining workforce and ageing population, and plans to further increase the role of women in the economy.

1.7. At the time of the previous Review, Members had praised Japan for its long-standing support and active participation in the multilateral trading system. They referred to the Joint Statement Initiatives on E-Commerce and on Investment Facilitation for Development, the Joint Declaration on Women and Economic Empowerment, and the Statement on MSMEs, as well as its contribution to advance WTO reform and engagement in the negotiations on fisheries subsidies and services domestic regulation. They also highlighted Japan's strong track record with WTO notification obligations in almost all areas. At the same time, Members also referred to Japan's increased focus on RTA initiatives. For the current Review, several Members requested more details on: the role of the Indo-Pacific Economic Framework (IPEF) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), GSP utilization and eligibility, a bilateral agreement with the United States, and Japan's plans for future RTAs.

1.8. With regard to trade policy, at the time of the previous Review, Members, while commending the high degree of predictability in Japan's tariff regime, encouraged a reduction of the complexity and peaks of its customs tariff. While Japan was commended for its trade facilitation efforts, it was encouraged to improve efficiency in the handling of goods at the border and ensure that technical regulations do not impede trade. For the current Review, in the advance written questions, some Members expressed interest in learning more *inter alia* about: plans to simplify the tariff; the provision of missing *ad valorem* equivalents; regulations for customs brokers; export control regulations; export restrictions related to semi-conductors; export support measures; SPS measures deviating from international standards; government procurement procedures; and numerous intellectual property right matters.

1.9. In terms of sectoral trade policies, Members were interested in having more clarity on: domestic support for agriculture in general; conditions and criteria for direct payments; methods of tariff quota allocation and fill rates; agricultural self-sufficiency targets; plans and incentives to promote renewable energies and decarbonize the economy; support for "critical products and materials", specifically for producers of chips and semi-conductors; foreign participation in financial services; the role of the Digital Agency; and rules for data storage and transfer.

1.10. In total, Japan received 787 advance written questions from 34 delegations for this Review, out of which 700 were sent within the established deadline, covering a broad range of topics. Prior to the meeting, Japan already provided written replies to the questions submitted within the established deadline.

1.11. The meeting was a good opportunity for Members to discuss in greater detail issues of interest to them and of systemic importance to the multilateral trading system. It was also an opportune moment for Japan to update the Membership on the impact of COVID-19 on its economy. The Chairperson looked forward to a fruitful exchange.

1.12. The Chairperson closed her introductory remarks by wishing Japan a very successful 15th Trade Policy Review.

2 OPENING STATEMENT BY THE REPRESENTATIVE OF JAPAN (H.E. MR AKIHIRO OKOCHI)

2.1. First, Japan would like to express our heartfelt condolences to those who lost their beloved family members and friends in the devastating earthquake in Türkiye and Syria, as well as in the cyclone disaster in New Zealand.

2.2. Today, I am very pleased to be here representing Japan, I would like to express our sincere appreciation to the Chair, Ambassador Athaliah Lesiba Molokomme of Botswana. Japan also extends its warmest thanks to Ambassador João Aguiar Machado of the European Union, whom we are honoured to have as a discussant. We would also like to acknowledge the WTO Secretariat, especially Mr Willy Alfaro, Director of the TPR Division and his team's dedicated work over the past months. We also extend our thanks to all the ambassadors and delegates who are participating in today's meeting.

2.3. For this review, we received more than 600 questions from over 30 Members. We are pleased to have been able to answer almost all of them, including those submitted after the deadline.

2.4. The Trade Policy Review Mechanism worked very effectively in ensuring transparency of trade policies and practices of WTO Members and contributed to maintaining and strengthening the multilateral trading system. Japan has passionately supported the activities of the TPRM. On this occasion, we would like to reiterate the importance of transparency in strengthening the WTO functions, and very much welcome the Seventh Appraisal Exercise initiated after MC12.

2.5. Japan has achieved economic growth as a trading nation and has been consistently committed to free and fair trade, and to the multilateral trading system. Japan's attitude has remained unwavering even in the midst of the current situation where protectionist trends after the COVID-19 pandemic and global economic uncertainty have become apparent. I would like to introduce some of our country's key initiatives during the review period.

2.6. Since the previous review, the global environment has undergone dramatic changes, including the COVID-19 pandemic, the Russian Federation's aggression against Ukraine, worsening climate change, and natural disasters. In Japan, the potential growth rate remains sluggish against the backdrop of a declining birth-rate, ageing population, and low productivity growth rate.

2.7. The COVID-19 pandemic revealed that a supply chain that is excessively dependent on a specific country or region cannot secure the healthcare needed for citizens and cannot ensure stable production for companies.

2.8. The Russian Federation's aggression against Ukraine is creating unthinkable death and destruction to the Ukrainian people. The brutal actions against Ukraine are a clear violation of the fundamental principles of international law, which is the basis of the WTO, and pose a serious threat to world peace and security.

2.9. Facing these difficulties, Prime Minister Kishida formulated the "Grand Design and Action Plan for a New Form of Capitalism" in June 2022. The New Capitalism has four priority areas: (i) investment in people and distribution; (ii) investment in science technology and innovation; (iii) investment in start-ups; and (iv) investment in green transformation (GX) and digital transformation (DX).

2.10. The first three areas, human capital accumulation, including the facilitation of labour mobility by improving skills; advanced technology development; and start-up incubation are critically important in Japan where we are facing future labour shortages. In addition, digital transformation and green transformation are key areas to facilitate the transition to a post-COVID-19 society, as well as a new source of value-added.

2.11. In addition, many Members asked in their written questions about Japan's recent measures for intellectual property (IP). Japan is very conscious that creating, protecting, and utilizing intellectual property is vital for economic growth. During the review period, Japan revised the Basic Act on Science and Technology, and set a new target of achieving about JPY 30 trillion (about USD 220 billion) of R&D investment by the Government and JPY 120 trillion (about USD 880 billion) of R&D investment by the public and private sectors combined over the next decade.

2.12. In these increasingly difficult times, the scope of national security is rapidly expanding to the areas of economy and technology, and Japan will address national and economic security, as well as prioritize sustainable and inclusive growth. The Economic Security Promotion Act enacted in May 2022 provides a framework for (i) ensuring the stable supply of critical goods; (ii) ensuring the stable provision of key infrastructure services; (iii) supporting the development of cutting-edge critical technologies; and (iv) keeping patent applications undisclosed. These measures are clearly consistent with the WTO Agreement.

2.13. The multilateral trading system with the WTO at its core is the cornerstone of global trade and continues to be a pillar of Japan's trade policy. Japan has proactively participated in each of the WTO's three functions.

2.14. Regarding the negotiation function, Japan, as co-convenor of the e-commerce negotiations in the WTO, is leading the formation of high-level rules, including the liberalization of data flow, "Data Free Flow with Trust (DFFT)". The DFFT, advocated by former Prime Minister Abe at the 2019 Davos Forum, was shared as a foundational concept for data utilization and the launch of the "Osaka Track" was declared at the G20 Osaka Summit. As the importance of digitalization of the economy is widely recognized and further strengthened due to the impact of the COVID-19 pandemic, we will further accelerate negotiations in order to expand the circle of cooperation among the volunteer countries and to bring about concrete results.

2.15. We have been constructively engaged in negotiations on agriculture, including negotiations with reference to non-trade-related concerns. In particular, given the current situation, food security is one of the issues that we need to tackle in an urgent manner. Also, as one of the biggest net food-importing countries in the world which relies on imports for more than 60% of our food needs, food security is at the forefront of citizens' concerns throughout Japan. From this viewpoint, we are prepared to participate in the discussions, including the technical ones, to find pragmatic outcomes.

2.16. We have also been actively engaged in the negotiations on fisheries subsidies. Currently, we are in the domestic process of concluding the Agreement on Fisheries Subsidies adopted at MC12, and we recently contributed approximately CHF 760,000 to the newly established fund based on this agreement, as the first Member to do so.

2.17. On dispute settlement, Japan continues to set out to achieve, as the utmost priority, a DS reform that will contribute to a long-lasting solution to the structural and functional problems of the Dispute Settlement System in the WTO. In this regard, we will participate actively in the informal discussions currently led by Members, so that the Members will be able to achieve DS reform by 2024 as agreed at MC12.

2.18. Next, we will introduce our efforts regarding regional trade and investment agreements. As part of efforts to build a free and fair economic order based on rules, Japan is promoting economic partnership agreements such as the CPTPP. The CPTPP is of significant importance in that it spreads high-standard, balanced rules for a new era of trade around the world and will play a very important role in the future economic order of the Indo-Pacific region and beyond. Since the last Review, the UK-Japan EPA and RCEP agreements have entered into force, and the EPA/FTA ratio of Japan's trade now accounts for about 80% of total trade.

2.19. Against this backdrop, Japan's tariffs are among the lowest in the world. Japan's simple average tariff rate for all items is 4.6%, and the simple average effective tariff rate is 6.3% on an applied basis. In FY2022, about 40% of all items, excluding those under preferential tariff systems, were duty-free. In addition, in June 2020, Japan formulated an action plan to promote the digitization of customs procedures and the automation of customs inspections by actively incorporating AI and other advanced technologies, and all possible measures are being taken to improve the environment for the expansion of cross-border logistics by further developing economic partnership agreements and other measures.

2.20. Regarding investment-related agreements, 55 investment-related agreements have been signed or entered into force. Including those currently under negotiation, 94 countries and regions and about 93% of Japan's total outward direct investment will be covered. In June 2021, Japan decided on the "Strategy for Promoting Foreign Direct Investment in Japan" and aims to increase inward direct investment stocks to JPY 80 trillion and reach 12% of GDP, by 2030. Attracting highly

skilled human resources, technology, and abundant funds from overseas will contribute to strengthening the growth potential of the Japanese economy as a whole and to revitalizing local economies.

2.21. Next, I would like to discuss development and economic cooperation. Japan strongly recognizes the importance of Aid for Trade (AFT), which supports developing countries' own efforts in various aspects, especially for the capacity building that is necessary for trade expansion in developing countries, and for improving infrastructure to boost trade. Japan has been one of the top donors to the AFT. To promote international trade, Japan has provided assistance through the WTO and the International Trade Centre (ITC), including AFT assistance totalling approximately USD 10 billion in 2020.

2.22. Japan is also taking the lead in development in Africa. At the 8th Tokyo International Conference on African Development (TICAD8) held in Tunisia in August last year, Japan, as a "partner growing together with Africa", promoted initiatives focusing on "investment in people" and "the quality of growth" in order to realize the resilient Africa that Africa itself aims to achieve. In terms of concrete measures, the "Japan's Green Growth Initiative with Africa (GGA)" is launched, where USD 4 billion public and private financial contribution in total is made. Japan welcomes a plan by the Japanese business community to create an investment fund for start-ups of more than JPY 10 billion.

2.23. In addition, Japan attaches great importance to the implementation of the WTO Trade Facilitation Agreement in developing countries and strongly supports the international harmonization and simplification of customs procedures in cooperation with the WCO and other relevant organizations. Most recently, for example, Japan has supported Laos in improving its customs clearance system through risk management, and Cambodia in introducing an Authorized Economic Operator (AEO) system. The WCO also supports human resource development in the field of customs in Pacific Island countries and Africa in cooperation with JICA. Furthermore, Japan contributes funds to the Customs Co-operation Fund (CCF) established in the WCO on a voluntary basis each year, and provides technical cooperation through the WCO to a wide range of regions.

2.24. Japan provides preferential tariffs under the GSP scheme to 131 developing countries, and has extended the term of validity of these tariffs to 2031. With regard to imports from least developed countries (LDCs), the percentage of LDC products eligible for duty-free and quota-free treatment has been expanded to about 98% of the products, exceeding the agreed level in the Hong Kong Ministerial Declaration.

2.25. With regard to accession to the WTO, Japan also places importance on the integration of developing countries into the multilateral trading system and has been actively involved in the accession process of LDCs such as Timor-Leste, as well as supporting Sudan's new accession as Chair of the Working Party on Accession since 2016.

2.26. Twelve years have passed since the Great East Japan Earthquake struck Japan on 11 March 2011. Many countries and regions have either lifted restrictions on imports of Japanese food products introduced by some Members after the Fukushima Daiichi Nuclear Power Plant accident. We would like to express our gratitude to those Members for responding with objective assessment based on scientific evidence. Japan sincerely hopes that the remaining import restrictions will be lifted as soon as possible.

2.27. Finally, when the WTO was launched in 1995, the future of the WTO was bright and more was expected of the Organization, but now, 28 years after its launch, the breakdowns that were unforeseeable at the time are becoming apparent, and the repair work is urgently needed. While some of the repairs may be patchwork, others may require extensive remodelling.

2.28. Japan reaffirms its commitment to cooperating with all WTO Members in the reform of the WTO. In this regard, Japan commits to working to ensure transparency and a level playing field to foster an enabling business environment, and to support the integrity and sustainability of a rules-based multilateral trading system.

3 STATEMENT BY THE DISCUSSANT

3.1. First, I would like to thank the delegation of Japan for the opportunity to act as a discussant for this 15th Trade Policy Review of Japan.

3.2. I would like to welcome the Japanese delegation, headed by Mr Akihiro Okochi (Deputy Assistant Minister and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs) and my good colleague, Ambassador Kazuyuki Yamazaki, and his team here in Geneva.

3.3. I would also like to thank both Japan and the Secretariat for their Reports, which enable Members to form a deeper understanding of Japan's trade and economic policies and are the basis for our exchanges today. I would like to recall that my remarks today are made in a personal capacity.

3.4. Japan occupies a very special place in my life and in my heart. Its people, society, traditions, culture, sense of aesthetics impressed me forever.

3.5. When I was posted in Tokyo (1989-1994), Japan was exiting a decade (the 80s) of strong economic growth, incredible wealth generation and technological advancement and a formidable competitor. Japan ran huge trade surpluses with the United States, the European Union (and many others) and competing in the Japanese market was a serious challenge for European and other trading partners. Relations were tense. These were the times of "Structural Impediments Initiatives", "Framework Talks", "numerical targets" and many other trade and economic measures aimed at rebalancing trade relations with Japan.

3.6. Now, fast forward 33 years, Japan has undergone significant changes. Not only Japan went through several decades of sluggish economic growth, indeed a deflationary economy, but it managed to develop harmonious trade relations with the rest of the world to become an equal partner. In my humble opinion, Japan is testimony that a major country with a powerful and competitive economy, with a very different history, culture, traditions, and ways of organizing its society, can develop harmonious relations with its partners and integrate into the world trading system based on a solid commitment to market principles and shared values.

3.7. Now, coming back to this review, I will, in my role as a discussant, organize my remarks and observations around three broad headings.

3.8. Firstly, I will take a look at how Japan has performed since the last TPR in 2020. Secondly, I will try to identify the main changes in Japan's trade and investment policies since then. Finally, as one of the key interests of this transparency exercise is the feedback of Members, I will try to highlight the main issues and areas of interest in this review, based on the Members' advance questions.

Japan's performance since the last Trade Policy Review

3.9. First, the overall economic context. Similarly to the last Review in July 2020, this review too comes at an exceptionally difficult and challenging time for the global economy, for international cooperation and the multilateral trading system as well as to Japan itself.

3.10. Since the previous Review, wide-ranging changes have taken place in the environment surrounding Japan, driven by the COVID-19 pandemic and its impact on global supply chains and economic growth, the Russian Federation's aggression against Ukraine, and the challenges posed by climate change.

3.11. At home, Japan has continued to face a declining and ageing population, stagnant economic growth, and experienced first-hand the impact of climate change in the form of frequent and intensified natural disasters.

3.12. From January 2020 to October 2022, Japan's macro-economic policies continued to be guided by a three-pronged strategy, namely bold monetary policy based on quantitative and qualitative easing, a flexible fiscal policy, and structural reforms. This economic strategy, which has been in place since 2013 and has come to be named "Abenomics" in reference to the late Prime Minister Abe,

was intended to revitalize business investment and private consumption and, in this way, overcome the prolonged deflation in the Japanese economy. However, looking at the continued sluggish performance of the economy over the years, one wonders whether this strategy has really delivered. I would be interested to hear the views of the Japanese delegation as to whether this strategy has delivered the expected results.

3.13. Economic growth rates during the review period were very moderate, unsurprisingly marked by the direct impact of the COVID-19 pandemic, subsequent supply-chain disruptions, and the resulting global economic slowdown.

3.14. However, with the impact of COVID-19 waning, social and economic activities are picking-up and the recent improvements in employment and income levels seem to indicate that Japan's economy is returning to the pre-pandemic state.

3.15. As already highlighted in the previous Review and again this time, Japan continues to have the highest ratio of public debt to GDP among developed countries, at some 263% of GDP. In most other countries this would be a serious source of concern. I understand that in Japan's case most public debt is in domestic hands but in the current environment of increasing interest rates, the question arises about the fiscal sustainability in the medium term. I will be interested to hear the views of the Japanese delegation in this regard.

The main changes and developments in Japan's economic, trade and investment policies

3.16. Here, it is not my intention to be comprehensive with regard to the many policy initiatives that the Japanese Government launched in the last two and a half years. Instead, I'll be highlighting some policy initiatives and changes that are the most notable during the period under review and reflect attempts to address current challenges.

3.17. The first, is the greater emphasis placed by the Government of Japan on national and economic security issues. This is not unique to Japan as many other Members are contemplating similar policies to address similar concerns. Japan has been building its economic security policy as a means to address emerging geopolitical and geo-economic challenges, its own declining competitiveness in advanced and new technologies, vulnerabilities in supply chains as exposed by the COVID-19 pandemic and intensifying threats such as cyber-attacks on its key infrastructure. The Russian Federation's invasion of Ukraine invigorated Japan's economic security debate and policy.

3.18. In May 2022, Japan enacted the Economic Security Promotion Act (ESPA), which is an important "umbrella" legislation that sets up a single policy framework, and enacts a series of new measures. Also in 2022, Japan adopted a new National Security Strategy (NSS) in which the Government takes a more holistic and expansive view of national security, incorporating "economic security" as a national security concept.

3.19. These policies are now being implemented. The key challenge here is how to balance the strengthening of economic security with preserving competition in the market, ensuring fair treatment and a level playing field and respecting international commitments. It would be interesting to hear the views of the Japanese Government in this regard.

3.20. A second theme, indeed an important challenge, relates to demographics. Japan's ageing population coupled with a declining birth-rate poses an enormous challenge for the management of the labour market and for the continued prosperity of the country. The Government has undertaken various reforms to increase labour supply, increase productivity and wages over the recent years. These labour market reforms seem to have been successful in raising employment. The Government has also announced new measures to tackle what it calls "the alarming decline" in Japan's birth-rate. These measures, however, seem to target more parents who already have children (child support payments, childcare services) rather than addressing the underlying issue which is why young people are increasingly reluctant to marry and start families. Failing to address that, another option, used by many countries, is to allow for more migrant workers. I would be interested to hear the views of the Japanese Government in this respect.

3.21. A third theme relates to climate change and environmental sustainability which are increasingly intrinsically linked to global trade and economy and Japan is no exception. In 2020,

Japan set a goal of slashing greenhouse gas emissions to zero by 2050. And in 2021 it announced its new target to reduce its greenhouse gas emissions by 46% in 2030 from its 2013 levels.

3.22. Japan has adopted a number of strategies to this end, including an Environment Innovation Strategy and a Green Growth Strategy both in 2020. These are aimed to promote green innovations and finance among other objectives with a view to support the transition to a net zero economy. Japan also adopted in 2021 a new Strategic Energy Plan (SEP) that sets the direction for energy policy for the coming years towards the realization of these objectives and targets. It would be interesting to know if the implementation of these strategic policies has already led to progress in cutting emissions in Japan.

3.23. A fourth topic relates specifically to Japan's economic and trade policies. Integration into the world economy through the participation in the multilateral trading system as well as via regional and bilateral trade and investment agreements, remains a critically important part of Japan's overall economic strategy.

3.24. The WTO system remains a central pillar of Japan's trade and investment policy. Japan has shown its strong commitment to the WTO over the years through its engagement and determination in bringing about progress and reform in this Organization.

3.25. Japan made an important contribution to the outcome of MC12 and is actively engaged in the WTO reform discussions. Japan's supports the conduct of negotiations in a flexible manner among like-minded Members as a way to develop rules in a changing environment. It participates in the ITA, ITA2, and also in a number of Joint Statement Initiatives. Japan also contributes significantly to the technical assistance programmes of the WTO. Very recently, Japan became the first WTO Member making a donation to the new Fisheries Trust Fund, thus contributing to making the Fund operational.

3.26. But over the years, Japan has also been active in developing a bilateral and regional trade agenda as a complement to the multilateral trading system. Japan has 21 FTAs signed and in force the most recent ones being the Japan-UK Comprehensive Economic Partnership Agreement and the Regional Comprehensive Economic Partnership Agreement (RCEP) and has 3 FTAs under negotiation. Long gone are the days when Japan characterized itself as being a "Friend of Article I" of the GATT, Japan now has become a "Friend of Article XXIV", and I do hope a really "True Friend of Article XXIV". In this regard, I would be interested to learn about the Japanese Government's plans to notify the agreement reached with the United States in 2019 to the CRTA and indeed to complete that agreement since it has only partial trade coverage.

3.27. Looking at the more recent past, and as we have passed the unfortunate one-year anniversary of the start of the war in Ukraine last Friday, it is worth recalling that Japan suspended MFN treatment to the Russian Federation in April 2022, announced the prohibition of new Japanese investment in the Russian Federation - in line with measures taken by other G7 nations - and imposed an import ban on certain goods and applied export measures against the Russian Federation and Belarus.

Main areas of interest in this Trade Policy Review

3.28. As Japan is one of the world's largest economies and an important trading and investment partner for most WTO Members, it is not surprising that Japan received a large number of questions for this review, around 780 questions from 30 WTO Members.

3.29. I already touched upon the measures to counteract Japan's demographic challenge, which have created interest from many WTO Members. In addition, Japan's policies and plans to promote greater women's participation in the economy have also raised interest. While the gender wage gap in Japan has been narrowing over the years, it still remains large compared to other advanced economies. Japan could offer some insights on the most recent measures, and also indicate whether and when it intends to ratify the ILO Convention No. 111 on Discrimination in Respect of Employment and Occupation.

3.30. With national security in economic and trade policies gathering more relevance, Members are showing considerable interest in Japan's Economic Security Promotion Act. Questions have been asked about the process and criteria by which Japan determines what is a "key product", "essential

infrastructure service", and "advanced critical technology" and which types of enterprises are eligible for the subsidies.

3.31. In the WTO context, Japan has stated its commitment to finding a long-lasting solution to the WTO Dispute Settlement System, including matters concerning the Appellate Body. While the work on restoring a fully functioning Dispute Settlement System continues, some Members have asked whether Japan is considering joining the Multi-Party Interim Appeal Arbitration (MPIA) arrangement that provides a temporary framework for resolving trade disputes in the WTO.

3.32. Japan's bilateral and regional economic partnership agreements is another area of interest to Members. The Reports make only brief references, for example, to the trade agreement between the United States and Japan which I referred to earlier. Members are interested to learn more about this agreement as well as the plans ahead for Japan's regional and bilateral trade agenda.

3.33. While it is acknowledged and appreciated that Japan's FDI framework continues to be liberal, with only few sectoral restrictions, a screening requirement for foreign investment remains in place with the screening threshold lowered from 10% in company shares to 1% in 2020. A number of Members have raised questions about Japan's screening requirements for FDI, measures to attract FDI and FDI restrictions in some (services) sectors.

3.34. In trade and environmental issues, the areas of interest include whether Japan has any plan to establish its own Emission Trading System (ETS) and Carbon Border Adjustment Mechanism.

3.35. However, some issues seem to carry over from the last TPR in 2020. For example, there is a continuing interest and concern in Japan's sanitary and phytosanitary (SPS) measures.

3.36. In the same vein, Japan's agricultural sector remains an area of interest. The enforcement and implications of the new agricultural self-sufficiency and food security targets by 2030 give rise to a number of questions from Members.

3.37. Japan being also an important fishing nation, Members are seeking an update from Japan on its progress towards depositing its instrument of acceptance of the WTO Agreement on Fisheries Subsidies – phase one. There is also interest to learn more about the steps taken against IUU fishing that Japan has stated it will discourage. Similarly to the agriculture sector, there is increased interest about the impact of a set of self-sufficiency targets by 2032 on the import and export of seafood products into and out of Japan.

3.38. Members have also been keen in learning more about the effectiveness of Japan's IPR protection framework and enforcement measures as well participation of foreign companies in the public procurement market.

3.39. The areas highlighted above were just some of the many areas in which WTO Members have manifested a clear interest during this transparency exercise. I am confident that Japan, in the replies that it has already provided and further clarifications during this meeting, will be able to address these and other issues relating to its trade policies and practices.

Concluding Remarks

3.40. According to the Secretariat Report and projections by the IMF, the recovery of Japan's economy is expected to continue in 2022 and 2023. With very limited room for fiscal and monetary policies to support sustainable growth, structural policies become ever more important for Japan. Trade policy needs to be re-considered in this context. In this regard, caution is needed against the temptation of using trade restrictive measures to cushion structural reforms.

3.41. Uncertainty around the pandemic and the war in Ukraine pose significant downside risks to the Japanese economy.

3.42. However, I remain optimistic that with its policies geared at innovation, digitalization, environmental sustainability, as well as improved productivity and human-capital investment, and preserving openness in international trade, Japan will be able to tackle these challenges successfully.

3.43. With its strong reliance on global value chains and free and open trade, Japan needs to continue to play an active role in reforming the WTO and show a stronger leadership in defending the multilateral trading system.

3.44. I hope that we will have a constructive and useful exchange over the next few days in order to improve our understanding of Japan's policies and practices and their future direction. I wish Japan a very successful 15th Trade Policy Review.

4 STATEMENTS BY MEMBERS

SINGAPORE

4.1. The Singapore delegation warmly welcomes Mr Akihiro Okochi, Ambassador in charge of Economic diplomacy at the Ministry of Foreign Affairs, and the Japanese delegation. We would like to express our appreciation to Japan for the comprehensive Government Report and statement. We also thank the Chair, Ambassador Atahiah Molokomme, the discussant, Ambassador João Aguiar Machado (EU), and the Secretariat, for their thoughtful and insightful Reports. Allow me to make three points.

4.2. First, as the world's fourth largest trading nation, Japan continues to play an extremely important role in the global economy. For over 50 years, Japan has consistently been ranked among the top five countries in terms of global manufacturing output. According to the Secretariat's Report, manufactured products accounted for about 85.6% of Japan's total merchandise exports in 2021, which underlines Japan's importance as a key node in global trade and a major manufacturing centre. Additionally, Japan remains a world leader in innovation and technology, having produced inventions ranging from the rice-cooker to the QR code, from selfie sticks to emojis.

4.3. In this context, as G7 Chair this year, Japan has the unique opportunity to leverage multilateral cooperation to steer the global agenda to focus on pressing issues such as post-pandemic recovery and climate change mitigation. Domestically, we commend Japan's goal to achieve net zero greenhouse gas emissions by 2050, and its proposal on Data Free Flow with Trust, which makes an important contribution to shaping the discourse on digital transformation.

4.4. Second, Singapore and Japan share long-standing, multi-faceted, and robust bilateral political and economic relations. The 2002 Agreement between Japan and Singapore for a New-Age Economic Partnership Agreement (JSEPA) marked Japan's first-ever free trade agreement, and continues to anchor our bilateral economic relationship. Apart from covering traditional goods and services-related issues, the JSEPA also covers cooperation in key growth areas such as info-comm technology; science and technology; tourism; and human resource development. In addition, the JSEPA has a standalone chapter on small and medium enterprises, which is the first of its kind, and reflects the importance that both countries attach to MSMEs. Since its entry into force, bilateral trade has increased by over 100% to reach USD 48.9 billion in 2022, and Japan and Singapore were each other's fourth largest source of foreign direct investment. In the face of rapidly evolving global and technological changes, Singapore looks forward to working closely with Japan to conduct a substantive review of the JSEPA.

4.5. Singapore and Japan are committed to continually identify new areas of cooperation. Just two weeks ago, the first Japan-Singapore Economic Dialogue brought together public and private sector representatives to exchange views on how to enhance bilateral economic cooperation in emerging areas such as start-up ecosystems, enhancing supply chains, and the digital economy. Japan and Singapore are also partners in several plurilateral agreements, including the ASEAN-Japan FTA, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which benefited from the leadership of the late Prime Minister Shinzō Abe, and the Regional Comprehensive Economic Partnership (RCEP). These agreements serve as important building blocks to strengthen the rules-based multilateral trading system. As highlighted in Japan's Government Report, such agreements "will enhance the transparency of the respective member country's economic policy and reinforce the competitiveness of its industries, which will bring about positive impacts on the multilateral trade negotiations".

4.6. Third, Singapore and Japan are like-minded partners, and strong supporters of the WTO. Together with Australia, Japan, and Singapore are co-convenors of the Joint Statement Initiative (JSI) on E-Commerce, and we are fully committed to working hand-in-hand to advance the negotiations to formulate meaningful global rules to govern E-Commerce. In addition, we commend Japan's long-standing contributions to provide capacity building and technical assistance, to support developing and LDC Members' efforts to achieve their development objectives and better integrate into the global economy. This is exemplified by Japan leading the way to contribute to the WTO Fisheries Funding Mechanism, which provides assistance to help developing and LDC Members with the implementation of the landmark Agreement on Fisheries Subsidies. As a staunch "friend of the system", it is timely for Japan to join the Multi-Party Interim Appeal Arbitration Arrangement (MPIA),

which will be fully aligned with the goal of the vast majority of WTO Members to restore a fully and well-functioning dispute settlement system.

4.7. In closing, I would like to acknowledge the active and constructive role that Ambassador Yamazaki has played in the WTO, as well as the valuable contributions of his capable team at the Japanese Mission in Geneva. We wish Japan a very successful 15th Trade Policy Review.

CHINA

4.8. Let me first warmly welcome Mr Akihiro Okochi, Deputy Assistant Minister and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs; Ambassador Mr Kazuyuki Yamazaki, permanent Representative of Japan to the WTO; and the delegation of Japan to this TPR. I would like to thank the Government of Japan and the Secretariat of the WTO for their preparation of this TPR and the discussant Ambassador Mr João Aguiar Machado for his insightful comment.

4.9. Japan is China's close neighbour. We are deeply connected culturally and economically. As two major economies in the Asia-Pacific region, we both have made important contributions to the growth, prosperity, and stability of the region through bilateral, regional, and multilateral cooperation. For the past decades, our bilateral trade and investment have been well integrated. China has been Japan's largest trading partner since 2007. Japan is China's third largest trading partner, second export destination and second source of import in 2022.

4.10. China and Japan are both staunch supporters to the multilateral trading system and value the core principles of the WTO. In this regard, China commends Japan's comprehensive engagement in MC12 negotiations, its constructive contribution to JSIs discussions such as e-commerce and investment facilitation, and its sustained development efforts at the WTO. Notably, Japan is the first donor to the Fisheries Funding Mechanism, helping developing and least-developed countries to implement the Agreement of Fisheries Subsidies.

4.11. However, we notice that some trade and trade-related policies adopted by Japan recently seem to run counter to what it safeguards at the WTO. Therefore, at today's meeting, I have to express our concerns over some of Japan's trade policies and measures.

4.12. First, Japan's restrictive measures on the ground of national security. On trade, Japan continues to expand its End-user List subject to export control during this review period. It is regrettable to note that another 25 Chinese companies and even scientific research institutions were added in the End-user List for unfounded reasons. On investment, the Economic Security Promotion Act implemented in August 2022 adopts a "preliminary review system" for foreign companies investing in specific sectors. Such measures are discriminatory and protective in nature. China calls for Japan to take a prudent attitude when taking measures in the name of national security. Any measures to adopt should be evidence-based rather than assumption.

4.13. Second, Japan's government intervention to regional and global supply chain. Since 2020, in order to have industries back home or to where the Japanese Government selected, a large number of government subsidies have been allocated as incentives. In the meantime, it becomes an active player in building "small yards and high fence" for high-tech industries and actively participates in seeking agreements to disrupt global supply chain well established under the market principles by arbitrary government interventions. China would like to remind that such acts would never bring the world a more resilient supply chain. On the contrary, they are trade-distorting in nature and threaten the stability and predictability of regional and global supply chain. It runs counter to the WTO rules and the market economy basic principles as Japan always touts. It is a typical non-market practice. It eventually will bring harm to every stakeholder including those in Japan.

4.14. Third, Japan's irresponsible action to the global environment. Japan's decision to release the Fukushima effluent into the ocean is a direct threat to every effort people make to protect the ocean, protect the earth. It is our great pity to see that Japan, a constructive participant in the trade environment discussions at the WTO and a strong advocate of sustainable development for fishery resources, would adopt such an action. China calls for Japan to take responsible actions in line with its commitment and obligations in the WTO and other international organizations.

4.15. As is shown in the Secretariat Report, Japan has adopted effective policies aiming at economic recovery from the pandemic and in the meantime addressing the structural problems of its economy. China expects Japan to continue playing its positive role in trade and economic cooperation regionally and globally. To this end, it is important for every Member to oppose trade protectionism and unilateralism, safeguarding open trade and enhance the multilateral trading system.

4.16. Finally, we thank Japan for providing replies to our advance questions. They are being studied carefully. I wish the TPR of Japan a full success and the Japanese delegations a good stay in Geneva.

PHILIPPINES

4.17. The Philippines warmly welcomes and congratulates the delegation of Japan led by H.E. Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy, as well as H.E. Mr Kazuyuki Yamazaki of the Permanent Mission of Japan on their 15th Trade Policy Review. We also thank Ambassador João Aguiar Machado of the European Union for his insightful comments as discussant, and the WTO Secretariat for its comprehensive Report.

4.18. We also associate with the ASEAN statement to be delivered by Indonesia noting the significant role that Japan plays in the region as its fourth largest trading partner and third-largest source of FDI. We are also happy to celebrate the 50th anniversary of ASEAN-Japan relations this year and affirm the sustained cooperation through the "ASEAN-Japan Economic Co-creation Vision" focused on the four pillars of sustainability, innovation, connectivity, and human capital.

4.19. The Philippines enjoys long-standing bilateral relations with Japan given our shared values and interests as well as increasing volume of people-to-people exchanges, and as an aside, I have recently read that there are now more than 460 Japanese restaurants registered in the Philippines, that is a threefold increase from 2012, so I can say the Philippines has converted into a Ramen nation.

4.20. A few weeks ago, President Marcos visited Japan to strengthen our partnership on several priority areas such as agriculture, renewable energy, digital transformation, infrastructure, defence, and security.

4.21. Japan is our largest bilateral development partner and is providing critical support for the development of sustainable mass transportation and infrastructure in the country. We also signed our first bilateral trade agreement with Japan through the Philippines-Japan Economic Partnership Agreement, which entered into force in 2008.

4.22. Bilaterally, Japan is the Philippines' second major trading partner in the world with total bilateral trade amounting to USD 23.5 billion in 2022 and our third largest foreign investor. Among the Philippine top exports to Japan are digital monolithic integrated circuits, ignition wiring sets, nickel intermediate products, bananas, and transport vessels.

4.23. As noted in both Reports by the Secretariat and Japan, the outbreak of the COVID-19 pandemic adversely affected the Japanese economy. However, Japan's economy has been recovering amid continued strong policy support since 2021. More specifically, to address its demographic crisis, Japan has undertaken various reforms to increase labour supply, productivity, and wages in recent years and we would encourage continued mode 4 liberalization for skilled workers. We have taken note of the people-centred nature of the Government's Grand Design and Action Plan for a New Form of Capitalism to transform Japan's economy through investments in innovation, decarbonization, and the digital economy.

4.24. The Philippines further notes that since the last Trade Policy Review in 2020, Japan has ratified its Comprehensive Economic Partnership Agreement with the United Kingdom and the Regional Comprehensive Economic Partnership Agreement (RCEP). Japan is also negotiating six new economic partnership agreements (EPAs) adding to its current network of 19. It is also participating in the negotiations in all the pillars of the Indo-Pacific Economic Framework (IPEF).

4.25. Likewise, Japan is a firm supporter of the multilateral trading system and an active Member of the WTO, demonstrated by its strong engagement in emerging areas such as services domestic

regulation, investment facilitation for development, micro small and medium enterprises (MSMEs), environmental sustainability, plastics and last but not the least, its co-convenorship in the JSI on E-commerce. We also applaud Japan for becoming the first donor to contribute to the WTO Fisheries Funding Mechanism.

4.26. We note the significant developments in the economic policies of Japan, and we appreciate the opportunity to learn more about these policies through this Trade Policy Review. Our delegation has submitted advance written questions and we thank the delegation of the Japan for its timely responses.

4.27. In closing, the Philippines looks forward to further enhancing the mutually beneficial economic relations with Japan in the bilateral, regional, and multilateral fora.

THAILAND

4.28. Thailand would like to associate itself with the ASEAN statement to be delivered by Ambassador Dandy Iswara of Indonesia.

4.29. We thank H.E. Akihiro Okochi, Deputy Assistant Minister and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs, for his Report and Ambassador João Aguiar Machado (European Union) for his stimulating analysis of Japan's trade policies. I would also like to thank the Secretariat for the comprehensive Report.

4.30. Thailand and Japan have a long-standing and cordial relation, dating back more than 600 years. The two countries established formal diplomatic relations in 1887, or 135 years ago, with the establishment of the Declaration of Amity and Commerce between Japan and Siam, making Japan one of the first countries to establish diplomatic ties with Thailand and one of Thailand's foremost economic partners.

4.31. Thailand and Japan have also developed strong cultural and educational links. Many Thai have studied in Japan, myself included, and there is a significant community of Thai people living in Japan and vice versa. Japanese language, culture, and cuisine are extremely popular in Thailand.

4.32. Japan has been providing development aid to Thailand for several decades, focusing on a wide range of areas, including infrastructure development, education, healthcare, and environmental conservation, including Suvarnabhumi International Airport, Bangkok Mass Transit System (Red line), and Bangkok Mass Rapid Transit (Chaleom Ratchamongkon: Blue line), to name but a few.

4.33. With respect to trade relations, Japan has been Thailand's second largest trading partner for many years, with the total trade value approximately USD 60 billion per year. Thailand exports a range of goods to Japan, including automobiles, electronic devices, machinery, and food products, while Japan exports machinery, chemicals, and electronic devices to Thailand. Conversely, Thailand is Japan's sixth largest trading partner globally and first among ASEAN countries.

4.34. Japan is also a major investor in Thailand. At the end of 2021, Japan's FDI position in Thailand amounted to over USD 94 billion, comprising almost 6,000 Japanese companies, making Japan the largest foreign investor in Thailand, accounting for 32% (one-third) of total FDI position in Thailand. Japanese investment has been mainly focused on the automotive, electronics, and petrochemical sectors.

4.35. Thailand and Japan have collaborated at many levels in numerous fora, including the WTO.

4.36. At the WTO, Thailand commends Japan for its active participation in upholding the rules-based multilateral trading system, including the JSIs on e-commerce, investment facilitation for development, the establishment of a WTO informal working group for MSMEs, and services domestic regulation. Japan is a party to the plurilateral Agreement on Government Procurement (GPA) and a signatory to the Information Technology Agreement (ITA), and participated in the ITA expansion negotiations.

4.37. At regional level, Thailand and Japan are founding members of APEC and are original parties of the Regional Comprehensive Economic Partnership (RCEP).

4.38. At a bilateral level, both countries have been involved in various trade agreements, notably the Japan-Thailand Economic Partnership Agreement (JTEPA), which came into effect in 2007 and was Japan's first bilateral free trade agreement (FTA) with an Asian country. Under the Agreement, over 90% of Japan's imports from Thailand and over 80% of Thailand's imports from Japan were granted duty-free or preferential tariff treatment, where the utilization rate of Thai exports to Japan has reached more than 80%. This, together with the ASEAN-Japan Comprehensive Economic Partnership (AJCEP) and Regional Comprehensive Economic Partnership (RCEP) has significantly boosted bilateral trade and encouraged greater investment between Thailand and Japan.

4.39. Before I conclude, it would be a remiss of me if I forgot to mention the long-standing concerns about Japan's trade policies.

4.40. First of all, the tariff structure of Japan continues to have a large number of non-*ad valorem* rates. Moreover, agriculture remains highly protected by tariff and non-tariff measures and supported by subsidies. Each year, Japan enacts new SPS regulations covering large share of agricultural imports and Thailand's vegetable and fruits continue to face strict SPS requirements, which greatly restrict our agricultural exports to Japan.

4.41. We also request the Japanese Government to provide more information about the support programs for rice (e.g., rice paddy utilization program and rice overseas market expansion project).

4.42. Finally, corporate subsidies, mostly through Ministry of Economy, Trade, and Industry (METI) and state-development bank and agencies, continue to play an important role in Japan's trade and industrial policies. Our preliminary study suggests that more than USD 1 billion worth of Thailand's current exports to Japan are put at risk from Japan's unfavourable trade measures implemented since January 2020.

4.43. In closing, Thailand is pleased to participate in the 15th TPR of Japan today. We would like to express our sincere thanks to Ambassador Kazuyuki Yamazaki and his team in Geneva for amicable and positive working environment between our two missions. We thank Japan for replying to our questions and we wish Japan every success in its 15th Trade Policy Review.

ISRAEL

4.44. Israel would like to thank you Chair; the discussant Ambassador H.E. Mr João Aguiar Machado (European Union); Japan; and the Secretariat for the detailed Reports. Israel also welcomes Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy, from Tokyo, as the head of the delegation.

4.45. Israel and Japan have had close ties that extend beyond economic and trade relations dating back to 1952, with the establishment of diplomatic relations between the countries. Since then, our relationship has only grown and evolved. Our ties run deep, including not only bilateral trade but also cultural and intellectual exchanges and cooperation in science and technology— the last being an area in which both of our countries excel.

4.46. Japan is an important trade partner for Israel. Trade in goods between Israel and Japan amounted to USD 3.2 billion in 2021. Japan's imports from Israel are dominated by electrical equipment, chemical products, scientific and optical instruments, and general machinery; while Israel's imports from Japan are dominated by transportation machinery, general machinery, electrical equipment, and chemical products. Trade in services has seen a steady increase in recent years, standing in 2021 at around USD 180 million.

4.47. In terms of Japan's economy since its last Trade Policy Review, there have been generally positive developments. However, we are paying close attention to the ratio of public debt to GDP, which stands at around 263%, making Japan the highest among developed countries. This, coupled with the challenges posed by an ageing and declining population, is an area we are keen to learn more about, including how Japan plans to address it.

4.48. Japan has been a keen advocate of international trade, which is reflected in its degree of openness and integration into the world economy and global value chains. Israel commends this ongoing commitment to international trade.

4.49. At the WTO, Japan is a key driver of initiatives aiming to develop the MTS further. In this regard, Japan and Israel have had close dialogue and cooperation in areas such as the e-commerce joint statement initiative, where we both share some common interests and where Japan has been taking a leading role.

4.50. Similarly, in domestic regulation, we look forward to a successful implementation. In transparency, Japan and Israel are co-sponsors of a proposal aiming to improve transparency across the board at the WTO. We also recognize Japan's active role across the WTO in a multitude of areas.

4.51. Israel submitted questions to Japan during this exercise, and we look forward to reviewing the replies in detail. The areas of interest for Israel include telecommunication and government procurement.

4.52. As we approach MC13, Israel looks forward to Japan's contributions and constructive role across various ongoing initiatives towards a successful Ministerial.

4.53. Finally, Israel looks forward to continuing our close collaboration with the Japanese delegation headed by Ambassador Kazuyuki Yamazaki.

4.54. Israel wishes Japan a very successful Trade Policy Review.

UNITED KINGDOM

4.55. Chair, thank you for leading this important scrutiny of one of the WTO's biggest economies. In this new era of UK-EU cooperation let me thank Ambassador João Aguiar Machado for setting up our discussion today. And let me also warmly welcome Japan's delegation to their Trade Policy Review today, led by Deputy Assistant Minister and Ambassador in charge of Economic diplomacy, Mr Akihiro Okochi.

4.56. Our nations enjoy deep historical ties going back centuries and Japan is now one of Britain's closest partners in Asia. Indulge me a moment, as a lapsed historian, to take stock of the progress we have made together since English seafarers established first trading stations at Hirado Island in the 17th Century.

4.57. Today, Japan is a key partner with whom we share a vibrant bilateral trading relationship. Decades of partnership in automotive and electronics manufacturing, IT, energy, life sciences, and financial services have provided the foundations for a dramatic expansion of industrial ties. From 2012 to 2020, Japanese foreign direct investment in the UK almost tripled. In 2021, Nissan chose the great city of Sunderland as its flagship global EV Hub, investing GBP 1 billion in EV manufacturing and a gigafactory. Japanese firms contribute to the UK's leading position in offshore wind. A Marubeni consortium is developing one of the world's largest floating offshore wind farms in Scotland. From large tech to pharma to megabanks, there are now around a thousand Japanese companies operating in the UK.

4.58. This association is deep and wide-ranging, underpinned by our bilateral FTA, the Comprehensive Economic Partnership Agreement, which came into force in 2021, further updating our collaborative and reciprocal relationship for the 21st century. The UK and Japan have also shown ambition in areas dear to the heart of the DG and vital to supporting trade like digital, on which we launched our digital partnership, in December 2022.

4.59. When our two Prime Ministers met in London on 11 January, Prime Minister Sunak spoke of "an unbreakable bond that reaches halfway around the world". And that's why, recognizing that our security is shared and indivisible, they signed a landmark deal on military cooperation - the Reciprocal Access Agreement.

4.60. And we hope that our membership of CPTPP will further elevate the ties between the UK and its 11 Pacific partners, including Japan, to a new level. We are grateful to Japan for their support to

the UK in that process and anticipate that this will not only promote trade and investment between our two great nations, but also demonstrate our ongoing commitment to the Indo-Pacific region as a whole.

4.61. We commend Prime Minister Kishida's agenda of driving the transformation of Japan's economy by digitization and investments in green technology and human capital. And we encourage Japan to match its high ambition with corresponding actions. As identified in our advance written questions, there are several strategic areas where we would like to collaborate more closely with Japan. Some of these are global issues, like decarbonization and digitalization, where all countries need to do more. But to realize ambitions in this area, we must focus on ensuring that businesses can make the most of these opportunities, by tackling the practical challenges that they may face: streamlining bureaucratic processes is a key example of this. Across the piece, we hope the UK can provide valuable expertise and support, and we look forward to continuing to work with Japan on realizing these mutual opportunities.

4.62. We are glad to see that maintaining and strengthening the multilateral trading system is a main pillar of Japan's trade policy. And I pay tribute to the wise guidance that Ambassador Yamazaki provides to his team in this House. Plurilateralism has brought much-needed energy and dynamism to the WTO. We are grateful for Japan's cooperation in plurilateral initiatives, in particular as one of the co-convenors for the E-commerce JI, which will deliver modern global rules on digital trade that are fit for purpose in the 21st century and support the digital economy. This is a top priority for the UK and we look forward to working with Japan to conclude substantive negotiations in 2023. We also appreciate Japan's efforts to launch certification requests for the Services Domestic Regulation JI in December 2022.

4.63. We wholeheartedly agree with Minister Nishimura's assessment, in his speech to the Centre for Strategic and International Studies, that we must never allow ourselves to fall into protectionism and using industrial subsidies to compete against one another. Our countries support a robust and effective multilateral trading system, crucial to the future functioning of the international order, and we must ensure industrial policies do not disrupt these important trade links. The UK will support Japan in holding high the banner of free trade.

4.64. We therefore welcome Japan's focus under their G7 presidency on global economic recovery, strengthening economic security, and improving cooperation with the Global South. In the past year we have stood side by side with Japan and all G7 partners in supporting Ukraine against President Putin's unprovoked aggression against Ukraine, and we will continue to stand together for Ukraine's freedom, for international law, and our rules based multilateral trading system.

4.65. We are pleased that the G7 Trade Track is now in its third year, an initiative pioneered under our own 2021 Presidency. We will support Japan to achieve practical outcomes particularly in the delivery of a comprehensive package on economic security that will help create a more resilient global trading system.

4.66. To conclude, as the annual cherry blossom viewing season approaches, we wish Japan a similarly serene Review and a florescence of success in their strategic trade programme, with the UK as a close partner.

4.67. And, in the spirit of a belated Trade Valentines, permit me to close with a short verse of optimism in the best of Japanese tradition: Trade friendship blossoms, rooted in our shared values, garden of Progress.

AUSTRALIA

4.68. Australia is pleased to participate in this 15th Trade Policy Review of Japan and thanks Japan and the Secretariat for their detailed and comprehensive Reports. It goes without saying that Australia and Japan are neighbours, great friends, and great partners in our region. But we are also neighbours, great friends, and great partners here at the WTO. Our partnership at the WTO is built upon the common deep reliance we have on an open and predictable global trading environment. Together we share a strong commitment to the rules-based multilateral trading system and the WTO.

4.69. Australia appreciates Japan's commitment and close cooperation on WTO reform, including on our shared priority on reform of the Dispute Settlement System. As Ambassador Okochi said: significant repair work is needed. You are an important contributor to this work, but we would like to make a suggestion of how Japan could contribute even more strongly. We encourage Japan to join the Multi-Party Interim Appeal Arbitration Arrangement (MPIA) to fully protect and enforce rights and ensure the binding resolution of disputes, while we continue to work towards an enduring solution. Australia welcomes Japan's leadership in driving progress on the Joint Statement Initiatives. We commend Japan as our fellow co-convenor, together with Singapore, of the JSI on e-commerce and active participation in the JSIs on services domestic regulation, investment facilitation for development and the informal working group on micro, small, and medium-sized enterprises. We also commend Japan's record of notification compliance, and its demonstrated commitment to transparency as one of the key pillars of the WTO and the rules-based global trading system.

4.70. Australia is pleased to note Japan's participation in the various trade and environment discussions underway at the WTO. We look forward to continuing to share our experiences on achieving net-zero carbon emissions by 2050. We also look forward to deepening our collaboration on sustainability issues at the WTO - including in the second wave of fisheries subsidies negotiations. Australia would also like to congratulate Japan on its recent donation to the Fisheries Funding Mechanism.

4.71. Even great friends have differences. If there is one area where we think improvements can be made in Japan's trade regime – it is on agriculture. We heard from Ambassador Okochi that important reforms have been undertaken to reduce tariffs, however we note that there is still a number of very high tariff peaks on agriculture goods. We encourage Japan to continue to contribute more strongly in agriculture negotiations here at the WTO and would welcome in particular Japan's further support for reform of trade-distorting domestic support entitlements. With over USD 800 billion in annual global support to agriculture, 87% of which distorts markets or harms the environment, addressing distorting subsidies is critical for global food security, environment and climate objectives.

4.72. Japan is a crucial bilateral trading partner for Australia. The Japan-Australia Economic Partnership Agreement (JAEPA) is the central pillar of this relationship and trade under the agreement has increased 24% since entry into force in 2015.

4.73. Our bilateral trade relationship is complemented by our close engagement at the regional level. We are both founding members of the Regional Comprehensive Economic Partnership and the Comprehensive and Progressive Trans-Pacific Partnership. We will continue to work closely with Japan on negotiations for the Indo-Pacific Economic Framework for Prosperity to tackle contemporary trade issues, including with respect to supply chains, digital trade, and the clean energy transition.

4.74. This close cooperation is underpinned by deepening engagement on strategic trade and economic issues. Australia looks forward to continuing to collaborate closely with Japan including in the WTO, APEC, OECD and G20 and we welcome Japan's focus on economic security as G7 host in 2023.

4.75. Australia recognizes the economic challenges Japan continues to face from the COVID-19 pandemic, including the impact of supply side constraints on exports, and the rising cost of living. Australia commends Japan's efforts on economic revitalization, including Prime Minister Kishida's key economic policies, "new capitalism" and "digital garden state", aimed at promoting structural wage growth and investment. Australia encourages Japan to continue pursuing economic reform and revitalization.

4.76. Australia wishes Japan a successful and constructive Trade Policy Review.

CHILE

4.77. Chile would like to extend warm greetings to Japan's delegation, headed by Mr Akihiro Okochi, Deputy Assistant Minister at the Economic Affairs Bureau, and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs. We also welcome all members of the Permanent Mission

of Japan, especially Ambassador Kazuyuki Yamazaki, with whom we have worked in recent years to advance common objectives within this Organization. We would also like to acknowledge the remarkable work done by both the Secretariat and Japan in preparing their respective reports and congratulate the discussant, Ambassador João Aguiar Machado of the European Union.

4.78. Allow me to provide a bit of history to highlight the long-standing trade relations between Chile and Japan, which date back to the 19th century. The first Japanese vessel arrived in Chile's ports before the Meiji era and, some years later, in 1897, our countries endorsed the Treaty of Friendship, Commerce and Navigation, paving the way for the formal establishment of bilateral relations. The growth in trade between the two countries and their early interest in the other side of the Pacific Ocean led to trade relations between Chile and Japan becoming closer; it is a link that has proven particularly stable over the years, as well as fruitful, and together we have been promoting greater integration through the development of political, trade and cultural dialogue.

4.79. A cornerstone of this most recent phase is the Chile-Japan Strategic Economic Partnership Agreement, which entered into force in 2007, addressing subjects such as trade in goods, sanitary and phytosanitary measures, services and investments. This was the first bilateral agreement signed by Japan with a South American country and, in the case of Chile, it constituted a significant step that made it possible for the country to continue with its strategy to further its integration into the Asia-Pacific region. This agreement has allowed Japan to establish itself as Chile's fourth biggest trading partner at present and one of the biggest investors in our country. On this last topic, the important role of the Chile-Japan Business Committee, a standing organization for private-sector cooperation, should be highlighted. The Committee aims to increase business between the two countries through the dissemination and implementation of benefits obtained through our trade agreements, and its 2022 meeting coincided with the 125th anniversary of friendly relations. Another highlight of our fruitful bilateral relationship was the conclusion of the Double Taxation Agreement in 2016.

4.80. This synergy is expressed in other spaces where Chile and Japan work collaboratively: both countries are active members of APEC, where they seek greater regional economic integration through cooperation and the sharing of good practices, thereby creating a free and open trade and investment regime. We also wish to draw attention to our membership of the OECD, our participation in the CPTPP and our cooperation in the framework of the Pacific Alliance, of which Japan has been an observer member since 2013.

4.81. At the level of the WTO, the interests of Chile and Japan are also broadly similar, with support for a strong multilateral system based on transparent and non-discriminatory rules that provide predictability, but also adapted to the current context. We therefore agree on a number of initiatives, such as the Trade Facilitation Agreement, services domestic regulation, MSMEs and investment facilitation for development. In our capacity as co-facilitator of the latter, we welcome the constructive participation of Japan. We would also like to highlight the leadership shown by Japan in the e-commerce initiative.

4.82. This Trade Policy Review has taken into account the impact of COVID-19 on the Japanese economy, in spite of which Japan has remained committed to trade liberalization under the WTO-centred multilateral trading system, as well as a non-discriminatory, open and rule-based regime, which is something that we value.

4.83. In addition, Japan remains one of the major global sources of foreign investment, which, as we noted, is also demonstrated by the amount of Japanese investment in our country. On the other hand, we highlight Japan's efforts to support sustainable and inclusive growth, as reflected in its plans to achieve net zero greenhouse gas emissions by 2050, as well as the increased participation of women and older persons in the Japanese economy to address its demographic challenges.

4.84. Lastly, in the context of this review, Chile has submitted questions on Japan's Intellectual Property Strategic Program 2022, the policy developments for manufactures, telecommunications and the role of SMEs in trade. We are most grateful for the replies to these questions.

4.85. We wish Japan a successful fifteenth Trade Policy Review.

ICELAND

4.86. It is with the pleasure that Iceland welcomes the distinguished delegation of Japan to their Trade Policy Review, led by Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy, H.E. Mr Akihiro Okochi. We would also like to express appreciation to the WTO Secretariat and Japan for the Reports prepared; as well as to the discussant, Ambassador Aguiar Machado, for the excellent framing of the issues for our discussions today.

4.87. Japan is a highly developed country job with strong market orientation and Iceland welcomes the active participation and strong commitment demonstrated by Japan to the smooth functioning of the multilateral trading system.

4.88. As stated in the TPR Report, Japan's economy during this review period has been negatively affected by the COVID-19 pandemic, as well as other factors that have been and still are challenging the global economy, most notably the Russian Federation's illegal war of aggression on Ukraine.

4.89. Iceland welcomes the actions taken by Japan to counter the impact of those factors, noting that as is often the case, they may have a disproportionately adverse impact on women. At the MC12 in June last year, Ministers acknowledged for the first time the importance of addressing women's economic empowerment at the WTO, and by doing so, recognized the positive benefits that it will have on our economies. This is well known to Japan and Iceland welcomes actions taken by Japan's Government to reduce the gender pay gap as well as to increase women's participation in the labour market.

4.90. As one of the co-chairs of the Informal Working Group on Trade and Gender, Iceland welcomes the good cooperation of our countries in advancing gender equality. The sharing of best practices related to policies and rule-making on advancing women's economic empowerment is an important element of the work of the Informal Working Group, and in the spirit of supporting relevant data gathering in this field, Iceland has submitted in advance written questions on participation of women in the economy of Japan. We welcome the replies as the answers will be useful in gathering best practices and the promotion of gender equality within trade.

4.91. Finally, Iceland once again appreciated Japan's firm support to the multilateral trading system and its active engagement with the WTO. We wish the delegation of Japan every success for their Trade Policy Review.

SWITZERLAND

4.92. Allow me to join others by extending a warm welcome to the Japanese delegation led by Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy, Mr Akihiro Okochi. I would also like to thank the Secretariat for its substantive and comprehensive contribution to this review as well as Ambassador João Aguiar Machado of the European Union for his insightful observations.

4.93. Switzerland and Japan share a long history of bilateral diplomatic and economic relations which started more than 150 years ago. More recently, Japan and Switzerland concluded landmark free trade and economic partnership agreement in 2009. On a personal note, as the then Deputy Chief Negotiator of Switzerland, I keep very fond memories of those negotiations.

4.94. Today, Japan is Switzerland's second largest export market in Asia and Switzerland is the sixth largest source of FDI in Japan. These few facts illustrate the importance of the economic relation between our two countries.

4.95. As the third largest economy in the world, a member of the G7 and the G20, Japan is a key WTO Member. Indeed, Japan has always been a keen supporter of the multilateral trading system. Proof of this is Japan's active and remarkable engagement in the deliberations in virtually all WTO bodies, as well as its participation in the plurilateral agreements ITA I and II, the GPA, and the Joint Statement Initiatives on e-commerce, domestic regulation, investment facilitation for development, trade and environmental sustainability, and MSMEs. On the latter, we appreciate Japan's inclusion of a MSMEs chapter in its Government Report.

4.96. This commitment is exemplary, a source of inspiration for all of us and we would like to take this opportunity to commend Japan for its constructive contribution to a rules-based multilateral trading system.

4.97. Switzerland and Japan share many interests across the whole spectrum of trade areas. This is reflected in a very close collaboration in a number of informal groups and coalitions including, the Friends of the System, the Ottawa Group and the G10. Our two countries also engage actively in the WTO reform process to improve the functioning of the Organization.

4.98. As we face unprecedented challenges affecting the environment, we appreciate Japan's strong consideration of sustainability issues in the conduct of its economic policies and its efforts to combat climate change. We note its plan to achieve net zero greenhouse gas emissions by 2050 and the goal of reducing emissions by 2030 to 46% from its 2013 levels.

4.99. I made it clear that Japan is a very important partner for Switzerland, at the WTO and beyond. We therefore pay particular attention to this review. Sharing similar positions to those of Japan in the field of agriculture, we naturally read the related chapters with great interest and asked a number of questions in this subject. Likewise, we posed some questions on tariffs, rules of origin and a selected SPS measure on the import of Swiss beef.

4.100. The point that probably retained our attention the most is the new Economic Security Promotion Act, adopted in May 2022, which notably provides for a framework for ensuring a stable supply of "key products" and "essential infrastructure services". The Report of the Secretariat mentions that implementing regulations are under preparation. We asked Japan to elaborate on the kind of measures that are envisaged by this new Act and which sectors are concerned.

4.101. We look forward to the opportunity to engage on the few topics we raised and wish Japan a very fruitful Trade Policy Review.

ARGENTINA

4.102. I would like to join Members in welcoming the delegation of Japan, headed by Mr Akihiro Okochi, Deputy Assistant Minister at the Economic Affairs Bureau, and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs, and extend our gratitude to our colleagues at the Permanent Mission of Japan in Geneva for their excellent work. Allow me also to thank Ambassador João Aguiar Machado of the European Union for his presentation.

4.103. Argentina and Japan have a strategic bilateral relationship thanks to our shared values of democracy, peace, human rights and respect for international law. The bilateral relationship is characterized by close friendship, which has spanned 125 years of diplomatic relations.

4.104. Since Japan's last TPR, high-level meetings between our authorities have continued, such as the recent visit Foreign Minister Hayashi made to our country in January, during which he held meetings with the President of Argentina, the Minister for Foreign Affairs and the Minister of the Economy.

4.105. We have also made progress on agreements on investments and on cooperation in the areas of renewable energy, peaceful uses of nuclear energy, and space and satellites.

4.106. As regards bilateral trade, Argentina wishes to highlight the significant recovery of bilateral trade in goods in 2021, which increased to USD 1,862 million, a six-year high and a year-on-year increase of almost 79%. Argentina's main exports were agricultural, fishery and mineral products, while our main imports from Japan were industrial goods.

4.107. In order to expand our bilateral trade, we are negotiating the opening of the entire country's bovine meat market, as well as access for fresh fruits.

4.108. At present, 60 Japanese companies have investments in Argentina and there is considered to be significant potential to increase that number. There are particularly large Japanese investments in Argentina in the automotive sector, lithium mining, service providers and software development.

In our view, opportunities to increase investments in mining (especially of lithium, copper, and gold) and energy (both in hydrocarbons and renewable energy) are particularly important.

4.109. Japan's economy is characterized by high diversification, income and development levels. Recently, real GDP growth rates have been moderate and the economy has been affected by difficulties arising from various issues, such as the economic difficulties caused by the COVID-19 pandemic. Nonetheless, we welcome the fact that, after two years of contraction, the economy returned to moderate growth in 2021.

4.110. In this context, we acknowledge efforts in pursuit of a greenhouse gas neutral economy by 2050, as well as reforms aimed at increasing workers' wages.

4.111. Argentina would like to draw particular attention to Japan's work as a co-convenor of the Joint Initiative on E-commerce and its active participation in negotiating investment facilitation for development. We wish to highlight Japan's contribution to the Fisheries Fund, which will enable technical assistance to begin to be provided under the Agreement on Fisheries Subsidies. Similarly, we welcome the information provided on the public policies implemented by Japan in pursuit of increasing the inclusion of women in the country's economic and productive structure and we hope to see the active involvement of Japan in the Informal Group on Trade and Gender.

4.112. In the context of this Trade Policy Review, the questions submitted by Argentina are aimed at broadening our understanding of the actions that Japan is undertaking to simplify its tariff structure, the conditions under which changes to tariff rates are implemented and tariffs are bound, and trade and investment policy measures to achieve carbon neutrality by 2050, among other things. We appreciate the replies received, which will be carefully examined by our colleagues in Buenos Aires, and we look forward to continuing the fluid bilateral dialogue between our delegations.

4.113. To conclude, in addition to reiterating our appreciation for this opportunity to exchange views and opinions on Japan's trade policies, we wish to, once again, underscore the importance of this transparency exercise in all of its aspects. We wish the Japanese delegation a successful conclusion to this review.

SEPARATE CUSTOMS TERRITORY OF TAIWAN, PENGHU, KINMEN AND MATSU

4.114. On behalf of the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu, I would like to extend our warm welcome to the delegation of Japan led by Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy, H.E. Mr Akihiro Okochi. I would also like to thank the Secretariat for its comprehensive Report, and Ambassador João Aguiar Machado for his valuable observations and comments.

4.115. Japan's economy is the world's third largest by nominal GDP, and is well recognized as of high development, diversification, and strong market orientation. Its economic performance has had significant influence on the rest of the world. We are pleased to see that during the period under review (January 2022 to October 2022), Japan's real GDP growth had rebounded to 1.7% in 2021 from -4.6% in 2020, which was heavily impact of COVID-19.

4.116. Japan's economy faces considerable challenges posed by an ageing and declining populations. We face a similar situation. We commend Japan's reforms to increase labour supply, productivity and wages over the recent year to offset the impact of ageing population on the labour market.

4.117. Japan's merchandise trade had recovered strongly in 2021 and had exceeded pre-pandemic levels. This is a welcome sign since Japan is a major trading economy on a global scale and is our third largest trading partner. The total value of our bilateral trade had amounted to USD 88.22 billion in 2022, representing a 3.39% growth compared to 2021. With the recent lifting of cross-border travel restrictions and the continuous growth of bilateral merchandise trade, we expect our bilateral services trade will regain its momentum.

4.118. Our trade relations with Japan are close, multifaceted, and mutually complementary, in particular in the high-tech and ICT sectors. The semi-conductor industry and its supply chain are prime example of this mutually beneficial relationship. Japan supplies us with the crucial machines

and materials for manufacturing most of the advanced IC chips. In return, Japan serves as one of the most important markets for semi-conductors and ICT products we produced. This partnership underscores the importance of our trade relations with Japan.

4.119. Japan has been one of our top sources of foreign direct investment (FDI). Our strong and cooperative trade and investment partnership with Japan has recently risen to an even closer and higher level, evidenced by the increasing two-way investment flows in the semi-conductor industry. In 2021, the Taiwan Semi-Conductor Manufacturing Corp. (TSMC) announced a joint investment project with Japanese partners for a cutting-edge wafer manufacturing facility valued at USD 8.6 billion in Kumamoto Prefecture. This investment will create about 7,500 direct and indirect jobs. The total estimated economic benefits in 10 years after its entering into operation will amount to nearly USD 32 billion.

4.120. We appreciate the assistances and facilitating measures that the Japanese governments at every level granted to this joint investment project. This project is a good example showing that Members can work together by facilitating and promoting more trade and investment to produce greater mutual economic welfare and make our supply chain more resilient and stable.

4.121. On the multilateral dimension, Japan has been on almost all the fronts for further liberalizing and opening trade and investment. We are pleased to work closely with Japan, together with many other Members, in promoting Joint Statement Initiatives (JSIs) to ensure that the WTO is fit-for-purpose. We particularly appreciate Japan's contribution in advancing the negotiations under JSI on E-Commerce. We also recognize Japan's active participation and contribution in other JSIs, including services domestic regulations, investment facilitation for development (IFD) and MSMEs, and look forward to further collaboration with Japan to bring about more concrete deliverables. We must also recognize Japan's contribution to the Fisheries Funding Mechanism, which is the first contribution from WTO Members.

4.122. Based on our shared interests, we will continue our close cooperation on the ongoing multilateral negotiations, including agriculture, fishery subsidies and the issue on expansion of TRIPS decision. We also look forward to collaboration and joint efforts with Japan in WTO reform.

4.123. We wish Japan a successful Trade Policy Review and look forward to an even closer and mutually beneficial economic ties with Japan in the future.

EUROPEAN UNION

4.124. On behalf of the European Union, I would like to extend a very warm welcome to the Delegation of Japan, led by Mr Akihiro Okochi, Deputy Assistant Minister. I would also like to thank the WTO Secretariat and the Government of Japan for their comprehensive Reports, which form the basis for our discussion today. Let me thank the discussant, H.E. Ambassador Aguiar Machado, for the introduction to the main developments in Japan's economy and its trade with the rest of the world since the country's last Trade Policy Review. The EU appreciates the commitment of Japan to this important transparency exercise.

4.125. Japan is a close and strategic partner of the EU. This partnership is based on more than trade – we have shared values and principles such as democracy, the rule of law, human rights, good governance, the commitment to multilateralism, and open market economies. Japan and the EU maintain a close and constructive dialogue and cooperation in the United Nations, the WTO, the OECD, the G20 and the G7, and for the latter we wish every success for the current Japanese chairmanship.

4.126. Under our bilateral Strategic Partnership Agreement, the EU and Japan are strengthening their relations across a wide range of areas, from enhanced political cooperation to trade and investment, from development to the digital transformation, from climate action and energy to research and innovation, and from security cooperation to sustainable growth. The EU-Japan Economic Partnership Agreement (EPA) enhanced our strategic partnership further and set up an elaborate institutional structure for bilateral discussions on matters covered by the agreement, which allows for close coordination, exchange of information and joint actions.

4.127. In 2021, Japan was the EU's seventh export partner and the eighth import partner accounting for 2.9% of EU's external trade. EU-Japan trade has now fully recovered from the COVID-19 crisis. FDI investment in both directions has also been significant. The EU is Japan's second most important investment destination.

4.128. The EU-Japan Digital Partnership advances cooperation on a wide range of digital issues to foster economic growth and achieve a sustainable society through an inclusive, sustainable, human-centric digital transformation based on our common values and we are looking forward to progress on our ongoing negotiations to complement the bilateral EPA with provisions on data flows and protection of personal data and privacy.

4.129. We appreciate Japan's commitment and on-going efforts to facilitate trade flows and commend the new Japanese Customs Law that is expected to significantly limit the import of fake goods sent directly to consumers.

4.130. The EU, in its questions, has raised several issues, among others on SPS measures, government procurement, and services.

4.131. As regards SPS, we welcome Japan's commitment to ensure speedy, simplified and science-based import procedures, adherence to international standards, avoiding duplicative assessments of elements harmonized at EU level, and we look forward to practical steps in this regard.

4.132. We invite Japan to further improve foreign companies' opportunities to participate in government procurement for instance through abolishing non-regulatory barriers and by operating more transparent and accessible information channels.

4.133. We pointed out that there are unequal conditions of competition in the sector of express delivery companies for postal, courier, and express services. We invite Japan to redress these, in particular to make sure that domestic and international express delivery service companies are subject to the same customs clearance procedures and costs.

4.134. Recent years have seen the global trading system face new challenges, emergencies, and threats. In this context, it is essential that the international community work to maintain and strengthen rules-based economic cooperation. The WTO - and its reform - must be at the centre of those efforts. The EU therefore highly appreciates Japan's commitment to maintaining and improving the multilateral trading system.

4.135. Restoring a fully functioning Dispute Settlement System remains one of the EU's top reform priorities. In the meantime, we invite Japan to join the Multi-Party Interim Appeal Arbitration (MPIA) arrangement that provides a temporary framework for resolving WTO disputes.

4.136. Making progress on multilateral and plurilateral discussions are also essential pillars of WTO reform. The EU welcomes Japan's participation in the successful outcome of the fisheries negotiations at MC12 and commitment to a result on the outstanding issues by MC13. The EU also welcomes, Japan's contributions to various joint statement initiatives including on e-commerce, investment facilitation, the TESSD and the plastics dialogue. In addition, we would welcome Japan joining other initiatives such as on fossil fuel subsidy reform.

4.137. An important pillar of WTO reform is the reinvigoration of the deliberative function - on which the EU has recently circulated a submission - to address global challenges with an impact on the trading system, including on state intervention in support of industrial sectors. The EU appreciates its ongoing close cooperation on issues related to the level playing field and on addressing non-market and other unfair trade practices and looks forward to Japan's active participation in future WTO deliberations on these issues.

4.138. Finally, the EU commends Japan's commitment and contribution to technical assistance under the aegis of the WTO and its recent donation to the fisheries trust fund.

4.139. The EU is grateful to Japan for having replied in a comprehensive manner to the advanced questions. I wish Japan a very successful Review.

UNITED STATES

4.140. On behalf of the United States, I am pleased to participate in Japan's fifteenth Trade Policy Review. I would like to welcome the Japanese delegation, led by Deputy Assistant Minister and Ambassador Akihiro Okochi. We thank the Japanese delegation for ongoing collaboration at the WTO, and appreciate Japan's effort to respond to our written questions.

4.141. Japan is a vital strategic partner to the United States, and a key nation in world trade. Within the WTO and other multilateral fora, the United States highly values its close working relationship with the Government of Japan, and its cooperation on many topics of mutual interest. One of our top trade priorities with Japan is advancing Indo-Pacific Economic Framework negotiations. We have made great progress since launching the IPEF in May 2022, and thank Japan for the positive and constructive role that it plays in the IPEF negotiations. We further appreciate Japan's ongoing support for creating a high-standard agreement that can create sustainable and inclusive economic growth throughout the region.

4.142. We are also working closely with Japan throughout Japan's G7 host year. Japan's G7 presidency has laid out two imperatives for our collective work. First, reaffirm the importance of a free and fair trading system as an integral part of the international order based on the rule of law. Second, mitigate the strategic risks that have become evident through recent crises, as part of a robust discussion on economic security. We could not agree more with these priorities.

4.143. Finally, we welcome Japan's strong support for the U.S. host year of APEC and our theme of "Creating a Resilient and Sustainable Future for All". We look forward to welcoming Japan, and all APEC economies, to Detroit in May for the APEC Ministers Responsible for Trade meeting where we will engage on ways APEC can advance sustainable and inclusive trade.

4.144. Bilaterally, we welcome Japan's engagement with us in the U.S.-Japan Partnership on Trade, which was launched in 2021. Through our Partnership, we have coordinated efforts to respond to third-country digital regulations of concern, exchanged information on the non-market and trade-distorting practices of third countries, and engaged in concrete action to eradicate forced labour in global supply chains, including through the launch of our U.S.-Japan Task Force on the Promotion of Human Rights and International Labour Standards in Supply Chains. Importantly, we have also used our Partnership on Trade to raise remaining trade barriers of concern.

4.145. Japan is one of the United States' closest multilateral partners, yet in the context of this TPR, it is important to acknowledge significant trade barriers, particularly non-tariff barriers, that limit the ability of U.S. industry to access Japan's market. And as allies, it is important to be able to speak honestly with one another about these issues, and work towards making real progress towards resolving them.

4.146. As a result, the United States continues to look to Japan to take new, bold steps to increase transparency, reduce unnecessary regulation, abide by international standards, and remove other barriers to trade. I want to highlight a few specific examples: First, we remain concerned about lack of access to Japan's automotive market for U.S. exports due to an array of non-tariff barriers. These include non-acceptance of U.S. Federal Motor Vehicle Safety standards, spectrum assignments that do not follow global standards and prevent U.S. technology from functioning in Japan, and subsidy schemes that provide disproportionate benefits to Japanese manufacturers. Second, a number of market access barriers remain for U.S. agricultural products. For example, imports of certain key agricultural products are carried out by state trading enterprises, such as with Japan's highly regulated and non-transparent importation and distribution system for rice and dairy products, which distorts both consumption and imports.

4.147. Finally, in the area of transparency, U.S. companies across a range of sectors continue to cite concerns about the extensive role advisory councils and other government-commissioned groups enjoy in the development of regulations and policies in Japan, as well as inadequate implementation of public comment procedures and other methods of stakeholder consultation. In particular, there have been several recent examples where public comment opportunities for new regulations or policies were non-existent or unnecessarily short, and where new policies were directly financially beneficial to specific advisory council members who recommended them. These practices are not

aligned with our close work with Japan on the promotion of good regulatory practices in multilateral settings.

4.148. Notwithstanding the particular concerns we have raised, the United States acknowledges and welcomes efforts and concrete measures by Japan to facilitate further market opening through domestic reforms and through further bilateral negotiations. The United States looks forward to continued close partnership with the Government of Japan in working towards our shared goals.

COSTA RICA

4.149. I would like to echo the words of welcome extended to the delegation of Japan, and the thanks to the discussant and the Secretariat for their reports.

4.150. Costa Rica would like to highlight Japan's contribution to the WTO. Japan is a committed Member of the multilateral trading system and the WTO, and participates actively in discussions on the reform of the Organization and the ongoing negotiations.

4.151. We concur with Japan that it is important to move the multilateral trade agenda forward in order to address current international trade challenges. In particular, Costa Rica would like to highlight and express its thanks for Japan's leadership as co-convenor of the Joint Initiative on E-commerce; we share its interest in concluding these negotiations this year. Similarly, we are pleased to note its participation and commitment to the result of the negotiations on services domestic regulation and to the ongoing negotiations on investment facilitation for development. Costa Rica also welcomes Japan's contribution to the Trade and Environmental Sustainability Structured Discussions.

4.152. Japan is the world's third largest economy, as well as a global benchmark for excellence in the Asia-Pacific region and a strategic partner for Costa Rica. Japan is the second most important destination for our exports to Asia and is also the second largest source of our imports from that region. Costa Rican exports of goods to Japan grew, on average, by 28% per year between 2012 and 2021, while imports of goods from Japan grew in turn by 24.5% over the last year, illustrating the high level of complementarity of our economies. The bilateral relationship between Japan and Costa Rica has also been highly fruitful in terms of foreign direct investment, but there is still considerable potential in this area. We share a common interest in seeking ways to diversify trade flows and investment in our economies.

4.153. I would like to highlight some recent, noteworthy developments in trade policy and our economic outlooks:

4.154. Firstly, the Secretariat's Report notes a complex tariff structure, with *ad valorem*, specific, compound and other types of duties. The highest tariff rates are concentrated in agricultural products, for which the average MFN applied is 18%, compared with 3.4% for non-agricultural products. We would like to know more about the implications of this complexity and tariff staging on the competitiveness of the most protected sectors, particularly agriculture, and their effects on the consumer.

4.155. As regards its economic outlook, the Secretariat's Report highlights that the Japanese economy is continuing to recover this year, but that threats remain, such as the effects of the war in Ukraine, disruptions to the global supply chain, rising commodity prices and debt sustainability. International trade and exports in particular have played a fundamental role in the recovery of Japan's economy and foreign trade continues to be one of the drivers of the world's third largest economy; the combined value of merchandise exports and imports exceeded the equivalent of 30% of GDP in 2021.

4.156. Japan's economic recovery has reaped the benefits of policies and reforms in three areas: firstly, the stabilization of the labour force by boosting the participation of women and older people, which has increased employment and offset the impact of an ageing population; secondly, the enhancement of Japan's integration into the world economy through trade agreements (Japan is party to 19 economic partnership agreements); and thirdly, improving the business climate by upgrading corporate governance, enhancing labour flexibility and mobility, and policies aimed at

supporting SMEs. We would be interested to know how Japan assesses these policies and how it thinks they can continue to contribute to its economic growth.

4.157. Also noted in the reports is that the broader policies to raise economic growth include the promotion of digital transformation and green investment, support for start-ups, regional revitalization through digitalization, and enhancement of economic security. In this respect, Costa Rica will continue to follow Japan's actions in relation to the digital transformation and green investment with great interest.

4.158. As part of this Review, Costa Rica submitted a number of questions to Japan. We thank the delegation for their consideration and will examine their responses in detail. Lastly, I would like to wish Japan a successful Trade Policy Review.

KINGDOM OF SAUDI ARABIA

4.159. The Kingdom of Saudi Arabia is very pleased to take part in the 15th Trade Policy Review of Japan and would like to extend a very warm welcome to the distinguished delegation of Japan headed by H.E. Ambassador Akihiro Okochi Deputy Minister of the Economic Affairs Bureau.

4.160. We thank Japan and the WTO Secretariat for their detailed and comprehensive Trade Policy Review reports. We also thank the discussant H.E. Mr João Aguiar Machado, Ambassador and Permanent Representative of the European Union to the WTO for his insightful comments.

4.161. During the period 2020 to 2022, Japan's economic policies were guided by structural reforms based on diversification, strong market orientation and accurate development purposes.

4.162. The Kingdom of Saudi Arabia appreciates the efforts of Japan in adopting several large supplementary budgets in relation to COVID-19 pandemic, and commends Japan for the sound policies that put Japan as one of the major global sources of foreign investment.

4.163. The role of Japan as an active Member of the WTO is obvious, and this is shown by the high priority that Japan places on the reinforcement of the multilateral trading system.

4.164. The Kingdom of Saudi Arabia and Japan have a strong trade relationship supported by their shared membership in the G20. In addition, the Saudi-Japanese Joint Vision of 2030 enhances our common economic and strategic cooperation in several fields including energy; industry; investment; health care; entertainment; and small and medium enterprises. Trade exchange between the two countries exceeded SAR 125 billion in 2021 which ranks Japan as the third trade partner of the Kingdom of Saudi Arabia. Japan is the second largest importer from the Kingdom of Saudi Arabia and the sixth largest exporter to the Kingdom of Saudi Arabia. While crude oil and mineral products are the major commodities imported by Japan from the Kingdom of Saudi Arabia. Vehicles and parts, on the other hand, are the main commodities imported by the Kingdom of Saudi Arabia from Japan.

4.165. Moreover, Saudi-Japanese Business Council remains very active in paving the way for closer economic cooperation and generating valuable business opportunities between the two countries.

4.166. Before concluding, I would like to express my thanks to H.E. Mr Kazuyuki Yamazaki, Ambassador and Permanent Representative of Japan to the WTO, and his delegation for the excellent cooperation between our two Missions.

4.167. Finally, the Kingdom of Saudi Arabia congratulates Japan for its solid economic performance, and wishes the delegation of Japan a very successful Trade Policy Review.

BRAZIL

4.168. Let me start by joining others in welcoming the Japanese delegation, headed by Ambassador Akihiro Okochi (Deputy Assistant Minister in charge of Economic Diplomacy at the Ministry of Foreign Affairs), and also Ambassador Kazuyuki Yamazaki, who leads Japan's team based in Geneva. We thank Ambassador João Aguiar Machado for his insightful analysis and you, Chair, for your opening remarks.

4.169. I would also like to express Brazil's sincere appreciation to the Japanese Government and the WTO Secretariat for their comprehensive Reports.

4.170. Japan is a key partner for Brazil in many senses. Our bilateral relations have been enhanced to a "Global and Strategic Partnership" since 2014. First and foremost, our countries have deep human ties. We are home to the largest Japanese community abroad: over 2 million people in Brazil comprise the so called "Nikkei community". Japan, for its turn, accounts for the fifth largest Brazilian community abroad.

4.171. These human ties explain to a great extent the contribution of Japan to Brazil's industrialization process since the 1960s, in particular in sectors such as autos, mining, steel, ship building, and electronics, among others. The stock of Japanese FDI in Brazil is currently around USD 23 billion, with more than 700 Japanese companies operating in our territory.

4.172. The Japanese cooperation has also been essential to the development of our agriculture. In the early 20th century, with the help of the Japanese traditional expertise, we were able to diversify the production of grains, employ new technologies to fertilize our crops and implement phytosanitary measures. In the 1970s, the Japanese cooperation on agriculture research in the Brazilian savannah contributed to Brazil's soybean production and productivity, fundamental features of Brazil's agri-business today. We recognize and thank the key role of the Nikkei community and Japan in converting Brazil into one of the biggest food producers in the world.

4.173. Our total trade with Japan amounted to USD 11.9 billion in 2022, growing 11.4% from 2021 and getting back above pre-COVID-19 levels. Brazilian exports remain concentrated on commodities, such as corn, iron ore, poultry meat, and coffee. On the other hand, Japan exports mostly manufactured products to Brazil, such as auto parts, chemicals, machinery and equipment. Mostly, our imports from Japan are linked to the presence of Japanese multinational companies in the industrial sector.

4.174. As the third largest economy in the world, Japan underpins global economic and financial stability with its traditionally solid macro-economic policies. It is also a critical source of foreign investment to the world economy, as highlighted by the Secretariat's Report.

4.175. However, we noticed that trade reforms have not advanced during the review period. The Secretariat shows that Japan's MFN applied tariff structure remains very complex, with 272 tariff rates, 136 different *ad valorem* rates, 75 different specific rates, among other characteristics. There is also a very high level of protectionism in the agricultural sector, where non-tariff barriers are frequent and tariffs are more than five times higher than in manufacturing, at 18% on average. Regarding domestic support to agriculture, there seems to be a growing tendency to recur to production subsidies, to volume or price-based agricultural special safeguards (SSGs) several times to out of quota imports and to SPS measures.

4.176. We believe that the stagnation in trade reforms is one of the reasons why our bilateral trade with Japan has been less dynamic, in relative terms, when compared to other Asian partners. Brazil would like to point out to some areas where we need to make progress, if we are to resume a more consistent pattern of growth in our bilateral trade.

4.177. We believe it is in Japan's interest to diversify its sources of food supply to mitigate adverse effects of supply shocks and inflation. Brazil would like to see an improvement in its access to the Japanese agricultural market.

4.178. Some sanitary and phytosanitary practices implemented by Japan are more rigorous than international standards and not necessarily reasonable from a scientific perspective. For instance, the World Organization for Animal Health (WOAH) recognizes Brazil as "foot-and-mouth disease" free as a whole and "foot-and-mouth disease" free without vaccination in certain regions. We have long been waiting for clearance for our beef and pork exports. The treatment we have been receiving from Japan is dissimilar than the one conceded to other trading partners that are exporting the same products to the Japanese market. We addressed this issue in our questions.

4.179. We hope we can improve market access to pork exports originating from the States of Paraná, Rondônia and Rio Grande do Sul in Brazil, which have the same sanitary standards and

status as Santa Catarina, for which there is already some quota allocation for pork exports. We urge Japan to speed up the process of evaluation of sanitary risks. In the same vein, we request that the Japanese Government take the necessary measures to conclude in a timely fashion the phytosanitary risk assessment for the import of fresh fruits from Brazil.

4.180. Finally, taking into account the huge amount of Japan's FDI stock in Brazil, it would be beneficial for trade and investment flows to implement measures that would facilitate visa requirements for our business communities.

4.181. Brazil appreciates Japan's policy statement in the Government Report about the WTO. We commend Japan's active engagement and participation in this Organization, in which we share many common goals, such as reforming and strengthening the multilateral trading system and finding a long-lasting solution to the Dispute Settlement System. In this light, we invite Japan to consider joining the Multi-Party Interim Appeal Arbitration Arrangement (MPIA) as an alternative means to avoid "appeals in the void" while a definite solution to settling disputes is pending.

4.182. We thank Japan for the written replies to our questions, on issues such as dispute settlement reform, SPS measures, agriculture, and competition policy, among other issues. They were forwarded to our capital for examination and follow-up.

4.183. Let me conclude, by wishing Japan a very successful and constructive Trade Policy Review.

TÜRKİYE

4.184. We welcome the delegation of Japan headed by Ambassador Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy, Ministry of Foreign Affairs.

4.185. I would like to thank Ambassador Okochi for extending condolences to my country. We are also grateful for the help and support provided by Japan after the earthquake.

4.186. We thank the Secretariat and the Government of Japan for their reports as well as discussant João Aguiar Machado for his invaluable remarks.

4.187. Returning substance, first of all, we thank Japan for its responses to our questions.

4.188. During the review period, the pandemic hit the Japanese economy hard, but robust government support and the reopening of the economy led to a partial recovery. Supported by macroeconomic policies, the growth is expected to strengthen.

4.189. As world's third largest economy, we believe that Japan's responses to structural challenges in the global economy is vital.

4.190. We hope that progress in Japan in the post-pandemic era through innovation and reform in green and digital technologies will present a good example for a further inclusive, resilient and climate-friendly trading environment.

4.191. In this context, we welcome Japan's decarbonization policies with net-zero greenhouse gas target by 2050 and the goal of reducing emissions by 2030 to 46% from its 2013 levels.

4.192. In addition, we would like to hear more on Japan's post-pandemic human resource development policies. Experiences shared by Japan in this context would be useful for a sustainable and resilient post-pandemic growth.

4.193. Furthermore, we commend Japan's active participation in the work of the WTO. We are pleased to collaborate with Japan in several Joint Statement Initiatives.

4.194. Türkiye and Japan have Strategic Partnership since 2013, thus we attach importance to further strengthening our ties in all fields.

4.195. Japan is our third biggest trade partner in the Asia-Pacific region.

4.196. We hope to maintain our bilateral trade in a more balanced manner.

4.197. In this context, considering that Japan remains one of the major global sources of foreign investment, we would be pleased to see more direct investments from Japan.

4.198. We also look forward to the conclusion of the Economic Partnership Agreement (EPA), on the basis of mutual interests of both countries.

4.199. In conclusion, we would like to take this opportunity to thank Ambassador Kazuyuki Yamazaki and his able team for the preparation for this review, as well as their contributions to WTO activities.

4.200. We wish Japan a successful Trade Policy Review.

NORWAY

4.201. Norway would like to join others in welcoming the delegation from Japan to this review and thank the Secretariat and Japan for their Reports. We would also like to thank Ambassador João Aguiar Machado for his excellent remarks as discussant.

4.202. Let me start by saying that Japan is a very close partner for Norway, both bilaterally and in the WTO. Norway and Japan have a close and broad bilateral economic and trade relationship. Our economies are complementary and mutually reinforcing, and our industrial exchanges have steadily grown into sophisticated value chains that benefit both countries.

4.203. Norway and Japan also share a number of economic priority areas such as energy, maritime transport and seafood, and a common ambition to transform our economies and adapt our societies to a low-emission future in accordance with the Paris Agreement.

4.204. In the present geopolitical situation, diversifying trade, maintaining stable supply chains and keeping control of critical infrastructure have become more important. However, we should be very careful not to let protectionism and trade wars tear down the system that has served our economies so well for so many years.

4.205. In this respect, Norway commends Japan's staunch defence of the multilateral trading system. We also deeply appreciate the role Japan continues to play in bringing the multilateral trading system forward as well as its unwavering commitment to battle protectionism and managed trade.

4.206. I will concentrate my remarks on two sectors, but before I would like to say that we share the comments that many Members have made today not least our appreciation for Japan's engagement in the WTO, and with that as well, I would like to join Singapore, Australia, the European Union, and Brazil who have also urged Japan's participation in the MPIA.

4.207. Norway and Japan are both key maritime nations supporting open and non-discriminatory market conditions for international maritime transport.

4.208. Against this backdrop we appreciate the efforts and results achieved by Japan and other members on including commitments for maritime transport in various international and bilateral agreements. This should eventually pave the way for enhanced commitments for maritime transport and better reflections of market realities also in the WTO context. By doing so we can contribute to strengthen the systemic function and relevance of the WTO as the platform for rules-based international trade.

4.209. Based on our shared interests, we look forward to continuing a close and constructive co-operation with Japan and other Members in the work for predictable and transparent rules and commitments for maritime transport in the international trade architecture, including in the WTO.

4.210. Fish and seafood represent a key aspect in the trade relations between Norway and Japan. A wide range of Norwegian seafood is exported to Japan. Products like salmon, trout, mackerel, and capelin are particularly in demand and seafood from Norway represent an important part of the Japanese cuisine.

4.211. However, Norwegian seafood do not enjoy the same market access conditions as seafood from Chile, the United Kingdom, or the European Union countries, putting pressure on the prices consumers have to pay for seafood in times where inflation in food items is a concern to many.

4.212. Japanese companies are also present in the Norwegian seafood value chain. This underscores that Norway and Japan have a common interest in securing open markets, predictable rules, and resilient value chains for trade in seafood.

4.213. Norway welcomes Japan's efforts in strengthening cooperation with like-minded countries and sees a potential for strengthening our bilateral relationship in this regard. With a heightened perception of risk associated with supply chain disruptions, Norway has stated its willingness to work with the Japanese Government to develop our bilateral trade and investment relations further through an Economic Partnership Agreement, to the mutual benefit of both countries.

4.214. Norway wishes Japan a successful Trade Policy Review.

DOMINICAN REPUBLIC

4.215. At the outset, I would like to extend a very warm welcome to the delegation of Japan, headed by Ambassador Akihiro Okochi, Deputy Assistant Minister at the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs.

4.216. The Dominican Republic is pleased to be part of this 15th Trade Policy Review of Japan. My delegation would also like to congratulate the Government of Japan and the WTO Secretariat for their reports, as well as the discussant, H.E. João Aguiar Machado, Representative of the European Union, for his valuable comments.

4.217. With regard to the reports submitted, our delegation sets great store by the statement that Japan's economy is characterized by high development, diversification and income levels, as well as by strong market orientation.

4.218. It is also noted that, like the vast majority of countries, Japan's economy declined rapidly in 2020 due to the COVID-19 pandemic, with private consumption and business investment being the hardest hit.

4.219. We observe how, during the period under review, Japan's macroeconomic policies continued to be guided by a dynamic monetary policy based on quantitative easing, a flexible fiscal policy and structural reforms.

4.220. One issue for consideration that was raised in the reports and that Japan has in common with other highly developed countries is its ageing population, which affects its fiscal situation. Japan's population stood at 125.7 million in 2021. Its economy faces considerable challenges posed by an ageing and declining population; 28% of the population is older than 65 years.

4.221. Relations between the Dominican Republic and Japan are becoming stronger by the day. In 2021, the Dominican Republic held celebrations, attended by its President, to mark the 65th anniversary of the arrival of the first group of Japanese immigrants in the country. The celebrations highlighted the contributions of the Japanese population to our country's development in areas such as agriculture, fishing, transport, agricultural production (especially rice, fruit, and vegetables) and the creation of independent companies. More than 800 Japanese descendants currently live in the Dominican Republic, serving as a bridge to strengthen relations between both nations.

4.222. The Dominican Republic welcomes and appreciates the repeated efforts of the Government of Japan and the Japan International Cooperation Agency in cooperating with our country, especially during the global health situation caused by the COVID-19 pandemic.

4.223. Regarding the economic relationship between both countries, we appreciate the Japanese delegation's recognition during our own recent trade policy review that the Free Trade Agreement between the Dominican Republic, the United States and Central America (CAFTA-DR) is an ideal platform for Japanese companies that manufacture products for the North American market to expand their global operations. We also appreciate the recognition by Japanese companies operating in the Dominican Republic's free zones of the speedy and appropriate customs clearance procedures in our country.

4.224. To conclude, we would like to take this opportunity to reiterate our thanks to the delegation of Japan and wish the country a successful Trade Policy Review.

COLOMBIA

4.225. My delegation extends its greetings to Mr Okochi and his delegation from Tokyo, to Ambassador Yamazaki, to the Deputy Permanent Representative Mr Hikota, and to the entire Japanese Mission in Geneva, and wishes them every success in this Trade Policy Review. We welcome the reports by the Government and the Secretariat, and the prompt replies to our questions. We also welcome the report by Ambassador Aguiar Machado and the work of the Secretariat in preparing this important review.

4.226. Colombia highly values its historical and cooperative partnership with Japan, which spans areas as varied as strengthening democracy, peacebuilding, education and, of course, promoting bilateral trade.

4.227. For this Trade Policy Review, Colombia is pleased to note that the Japanese economy is performing adequately, and sees several of its indicators as a model. Given its enormous size, a healthy Japanese economy is always good news for exporters and producers around the world.

4.228. There are numerous positive aspects of the Japanese economy and its trade practices, as highlighted by the two reports under review. Today, we would like to make three comments as part of this review.

4.229. First, we would like to express a concern. While both reports make relatively brief reference to volumes of subsidies, both in terms of direct and indirect taxes in the special *hozei* areas and their free zones, and in general through direct mechanisms and development banks as financial intermediaries, we note with concern the growth of subsidy levels in Japan in recent years, according to figures available from the OECD, the IMF and various independent analyses. As well as tariffs, Japan uses subsidies to control the domestic market. These large incentives affect our ability to compete and develop sustainable agricultural and industrial sectors. In a world where large economies significantly increase their domestic support, those of small and medium-sized countries will always lose out. According to our estimates, 90% of Japan's subsidy measures since its last periodic report have affected the Latin American region, even more than other regions. In this vein, we note with concern that figures on the total amount of subsidies granted by Japan vary greatly across different information sources, such as the OECD, the IMF and WTO notifications, especially as regards subsidies granted by Japan's development banks.

4.230. Second, we would like to thank Japan in advance for its replies to a large number of questions posed by Colombia on a very broad range of topics, such as green public procurement; strategies adopted to promote exports of agricultural and forestry products; guidelines under the Japanese Act on Facilitating the Export of Agricultural Products of 2020; the changes introduced by policy reforms for small and medium-sized enterprises (SMEs); the purpose and meaning of "university startups"; Japan's membership of various organizations, including regional fisheries management organizations and arrangements (RFMOs and RFMAs); and its trade and nationality balance, with Latin America in particular, in terms of royalties for the use of intellectual property. These questions and answers outline concerns but also present opportunities for building closer trade relations.

4.231. Third, we would like to stress that Japan has traditionally been a driving force in the global economy and the multilateral trading system. Japan has always played a prominent leadership role in this Organization. Given the current systemic challenges and opportunities, particularly the challenge presented by climate change and obstacles to the functioning of the pillars of this

Organization, we encourage Japan to continue and intensify its efforts to improve and strengthen the WTO, and maintain its mandatory disciplines.

4.232. Lastly, we consider this to be an excellent opportunity to invite Japan to join the Multi-Party Interim Appeal Arbitration Arrangement based on Article 25 of the DSU. We are confident that Japan's membership of this initiative would benefit all Members and strengthen our joint efforts to address the challenges of maintaining an operational Dispute Settlement Body while the Appellate Body is being restored. We hope that Japan joins us in this important initiative which provides access to justice.

4.233. We wish the Japanese delegation a successful Trade Policy Review. Colombia is always open to strengthening its strategic trade relationship and wishes to acknowledge the positive working relationship in numerous areas between the two missions in Geneva.

NEW ZEALAND

4.234. New Zealand welcomes this opportunity to participate in the Trade Policy Review of Japan. We further wish to welcome Mr Akihiro Okochi and H.E. Ambassador Kazuyuki Yamazaki delegation to Geneva. We thank both the WTO Secretariat and the Government of Japan for their extensive and detailed work in preparing this review, and the insightful remarks from the discussant.

4.235. New Zealand deeply values our strong economic partnership with Japan, which is supported by long-standing and complementary business relationships. Japan is our fourth-largest trading partner, an important source of high-quality investment, a key market for our exports – particularly high-value goods and services – and a crucial partner for our shared transformation to green economies.

4.236. Japan and New Zealand also share many of the same values, including our strong commitment to free and open trade, multilateral cooperation, peace and security, international law, human rights, and the international rules-based order.

4.237. New Zealand and Japan enjoy close collaboration across a range of WTO work streams, including in relation to strengthening the rules-based system through the Ottawa Group on WTO reform. We look forward to continuing this close collaboration through the recently launched Coalition of Trade Ministers on Climate.

4.238. There are many areas in which Japan has demonstrated leadership at the WTO, including providing the Chair of Committees such as the Committee on Market Access. It is a co-chair of the JSI on e-commerce, and has been an active participant in as negotiations on services domestic regulation and investment facilitation for development, as well as workstreams on MSMEs and women's economic empowerment. We congratulate Japan for the critical role it has played to advance these and other issues, and look forward to ongoing work together on these issues. We also encourage it to consider participation in other initiatives such as the Ministerial Statement on Fossil Fuel Subsidy Reform and the Multi-Party Interim Appeal Arbitration Arrangement (MPIA).

4.239. New Zealand commends Japan for moving forward with its acceptance of the Agreement on Fisheries Subsidies in the WTO. We urge Japan to ensure its fisheries subsidies do not contribute to illegal, unreported and unregulated fishing or overfishing and overcapacity, and we look forward to the depositing of Japan's instrument of acceptance.

4.240. Another important connection with Japan is our shared membership of the Comprehensive and Progressive Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP), which provide a framework for further liberalization and diversification of trade. We value our strong working relationship with Japan within these important agreements to maintain their effectiveness, integrity, and high standards.

4.241. New Zealand has appreciated our on-going dialogue with Japan on CPTPP tariff-rate quota administration and looks forward to continuing to work constructively with Japan on the full utilization of market access opportunities under the agreement.

4.242. New Zealand has noted a plateau in Japan's agricultural support, following 10 years of consistent reduction. We hope Japan will continue to gradually reduce its support to agriculture, while still providing government policies for sustainable agriculture and vibrant rural communities. We remain interested in the reforms Japan plans to undertake in order to reduce trade-distorting forms of agricultural support.

4.243. Over many years, New Zealand has sought to deepen collaboration with Japan's agricultural sector. Since 2014, successive Prime Ministers have reaffirmed our Partnership in Food and Agriculture, which sees us sharing technical knowledge and export systems to support Japan's food system. We also hope that Japan will support ongoing efforts to secure strengthened WTO disciplines on WTO members' domestic support to agriculture.

4.244. New Zealand also commends Japan for its ambitious commitment to reduce greenhouse gas emissions, including through efforts to develop renewable energy sources. We urge Japan to rationalize its ongoing investment in coal-powered plants and coal burning technology, in line with its stated 2050 Carbon Net Zero goals.

4.245. Finally, New Zealand applauds Japan's continued progress towards a more resilient, dynamic, and inclusive economy as it recovers from the COVID-19 pandemic. We recognize Japan's record of accomplishment as a leader within regional and global economic architecture, and warmly welcome its ongoing leadership in international trade and trade policy.

4.246. With those reflections, New Zealand congratulates Japan on its Trade Policy Review and we look forward to deepening our already strong, constructive trading relationship.

HONG KONG, CHINA

4.247. I would like to start by extending a warm welcome to the delegation of Japan led by Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy. I would also like to thank the discussant H.E. Mr João Aguiar Machado of the European Union for his insightful remarks, and the Secretariat for preparing the comprehensive report.

4.248. Hong Kong, China and Japan have been enjoying robust trade and economic relations. Japan is our sixth largest partner in merchandise trade. Despite the pandemic, our bilateral trade in goods recorded an encouraging year-on-year growth of 11.5% in 2021, with trade value amounting to USD 50.1 billion.

4.249. Japan is also our fifth largest partner in services trade. In 2020, our bilateral trade in services amounted to USD 5.2 billion. With the lifting of COVID-19 travel restrictions in Hong Kong, we look forward to more business and tourist travels between Hong Kong and Japan, which would benefit the travel and transport services of both sides.

4.250. We have the following observations on Japan's trade policy regime.

4.251. First, on trade facilitation, we appreciate Japan's active contributions in capacity building and experience sharing at the Committee on Trade Facilitation throughout the years, including its responses to the pandemic. We also welcome Japan's efforts to further digitalize and simplify its customs procedures by introducing the Smart Customs Plan 2020 and amending its Customs Act in 2021.

4.252. Second, on tariff. We appreciate that Japan has bound 98% of its total tariff lines at a simple average rate of 6.4% and the percentage of duty-free tariff lines has slightly increased from 40.5% in 2019 to 40.9% in 2022. However, Japan's rather complicated MFN applied tariff structure and application of non-*ad valorem* rates in 7.3% of its tariff lines have reduced the predictability of its tariff regime. We would encourage Japan to consider converting the non-*ad valorem* rates to *ad valorem* ones.

4.253. Turning to agriculture, we note that Japan's agricultural sector remains relatively protected: the average applied MFN rate for agricultural products was 18% in 2022, compared with 3.4% for non-agricultural products. We also note that Japan provided a range of support to the sector through

border measures and domestic measures, with "amber box" measures making up 22% of Japan's agriculture domestic support notified to the WTO. We would encourage Japan to further liberalize trade in its agricultural sector.

4.254. Finally, on services. The services sector, which constitutes the backbone of Japan's economy, was hard hit by the pandemic in 2020 before its recovery in 2021. As both Hong Kong, China and Japan are services-oriented economies, we look forward to working even closer with Japan in the multilateral context with a view to pursuing progressive liberalization of trade in services.

4.255. Japan has been an active and constructive Member of the rules-based multilateral trading system. Hong Kong, China looks forward to continuing working with Japan on issues of mutual concern, and deepening our bilateral ties on all fronts. I would like to thank Japan for their replies to our written questions and wish Japan a successful and fruitful Trade Policy Review.

BRUNEI DARUSSALAM

4.256. Brunei Darussalam associates itself with the ASEAN statement to be delivered by Indonesia, and joins in warmly welcoming the delegation from Japan led by H.E. Ambassador Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau at the Ministry of Foreign Affairs of Japan.

4.257. We thank the Government of Japan and the WTO Secretariat for their comprehensive reports and H.E. Ambassador João Aguiar Machado of the European Union for his role as the discussant.

4.258. Brunei Darussalam and Japan established diplomatic relations on 2 April 1984, and we have a strong, long-standing, bilateral relationship with Japan that covers many areas of cooperation from trade and investment, energy, health, education, and people-to-people exchanges.

4.259. In 2021, Japan ranked second in terms of Brunei Darussalam's export partners, valued at BND 3.021 billion that mainly comprises of oil and gas products. Meanwhile our import from Japan consists of machineries, transport equipment, and metal products.

4.260. Moreover, we value the presence of Japanese companies in the country that has played an important role towards the realization of Brunei Darussalam's economic diversification goal and at the same time, generated local employment.

4.261. In this connection, as our countries work to achieve a more sustainable growth post COVID-19, Brunei Darussalam looks forward to further strengthen our bilateral cooperation across many sectors including through the review of the Brunei-Japan Economic Partnership Agreement (BJEPA).

4.262. Brunei Darussalam and Japan are also closely linked through ASEAN. We have maintained robust economic cooperation through the ASEAN-Japan Comprehensive Economic Partnership (AJCEP) and most recently the Regional Comprehensive Economic Partnership (RCEP). We look forward to celebrating the "50th Year of ASEAN-Japan Friendship and Cooperation" and we welcome the strengthening of ASEAN-Japan Economic Relationship as one of the outcomes of the ASEAN-Japan Commemorative Summit this December with a focus to enhance cooperation in supply chain resilience, digitalization, human resources development and connectivity, among others.

4.263. We commend Japan's continued commitment to trade liberalization under the multilateral trading system centred on the WTO. Brunei Darussalam also appreciates Japan's active engagement in this Organization, including its role as co-convener of the JSI on e-commerce which Brunei Darussalam is a party to. We also value our engagement with Japan in the various multilateral fora including APEC, CPTPP, and IPEF.

4.264. Brunei Darussalam has submitted several questions in relations to the reports by Japan and the Secretariat and we thank them for their responses.

4.265. Finally, we would like to take this opportunity to wish Japan a successful 15th Trade Policy Review.

CANADA

4.266. I would like to warmly welcome the Japanese delegation to Geneva and thank them and their colleagues in Tokyo for their work on this Trade Policy Review. I would also like to thank Ambassador Yamazaki of Japan and Ambassador Aguiar Machado of the European Union as well as the Secretariat for its support.

4.267. Japan is a vital bilateral, regional, and multilateral partner for Canada. At the heart of our strong relationship is a decades-long shared commitment to the rules-based trading system with the WTO at its core.

4.268. Our bilateral relationship has reached new heights following a 2019 agreement between our two countries on a shared vision for a free and open Indo-Pacific region and to strengthen our strategic partnership. We look forward to both continuing to implement the Canada-Japan Six Shared Priorities and collaborating to advance shared economic security objectives.

4.269. In a regional context, our mutual commitment to free, fair, inclusive, and rules-based trade is well reflected in our joint effort to uphold the high standards of the CPTPP. We look forward to expanding the Agreement and ensuring that it continues to serve as a model RTA that reflects 21st century trading realities.

4.270. Within the WTO, this commitment is demonstrated by the leading role Japan plays in supporting the various different functions of the Organization. We acknowledge, appreciate, and applaud Japan's active engagement in the work of the Ottawa Group, and its leadership as one of the co-conveners under the Joint Statement Initiative on e-commerce. We also recognize Japan's contribution as the first donor to the new Fisheries Fund, which will support implementation of the WTO's new Agreement on Fisheries Subsidies across the Membership.

4.271. As any strong bilateral trade relationship, there are also some issues that we would like to draw the Japanese delegation's attention to, namely: ensuring a level-playing field for imported forestry products and rationalizing foreign audit requirements for foreign competent authorities.

4.272. In its supplementary budget in December 2022, Japan enacted additional subsidies, totalling nearly USD 400 million, for its forest industry that could displace foreign forest products with Japanese products. This follows other recent measures that have deployed vast sums to support the consumption of domestic forest products in the name of easing disruptions caused by the Russian Federation's invasion of Ukraine and the COVID-19 pandemic. We encourage Japanese forestry and trade officials to create a business environment that offers a level playing field for imported forestry products that are sustainably harvested. For its part, the Canadian forest sector is committed to continuing to act as a reliable, sustainable, and ethical supplier of the wood that is used to construct homes and buildings across Japan.

4.273. Regarding audits of foreign competent authorities for food safety and plant health, we respectfully request that Japan consider the frequency of its audits; we also question to what extent these requirements are based on current assessments of risks to human, animal, or plant health. Canada is proud to act as a leading supplier of compliant, safe, and healthy food and agricultural products for Japanese households, restaurants, and industry. Adopting audit frequency based on risk would reduce an unnecessary economic burden for both industry and consumers while continuing to ensure safety.

4.274. Turning to dispute settlement, we share Japan's sense of urgency to address the current impasse at the Appellate Body. Canada and Japan remain steadfast in their efforts to work towards a multilateral and long-lasting solution in the form of a fully and well-functioning Dispute Settlement System accessible to all Members by 2024. In the meantime, the MPIA represents the best means to provide binding dispute settlement with access to appellate review in disputes between its participants. We strongly encourage Japan to join the MPIA. This would send an important signal of support for functioning dispute settlement.

4.275. Canada looks forward to continuing its close collaboration with Japan as a bilateral, regional, and multilateral partner. We are grateful for Japan's contribution to the rules-based international

order over many decades. Japan's current active engagement at the WTO is especially appreciated as we work to defend and strengthen the Organization and look ahead towards MC13.

4.276. We welcome Japan's G7 Presidency this year and stand ready to work with Japan on its priorities, including the outcomes of the G7 Trade and Investment Track.

4.277. Finally, we appreciate this opportunity to exchange views with Japan on all aspects of its trade policy and wish the Japanese delegation the utmost success during this review process.

UKRAINE

4.278. On behalf of Ukraine, I would like to warmly welcome the distinguished delegation of Japan led by H.E. Mr Akihiro Okochi. We would also like to express our appreciation to the Japanese Government and to the WTO Secretariat for their hard work while preparing to the 15th Trade Policy Review of Japan.

4.279. Ukraine welcomes the opportunity to participate in this event and to know more about main developments, achievements and challenges in Japan's trade, economic and investment policies since the previous Review in 2020.

4.280. We commend Japan for quick recovering from the negative impact of the COVID-19 pandemic with renewal of GDP growth rate trend by 1.7% in 2021 and strong increase of trade volumes exceeding pre-pandemic levels after the fall in 2019 and 2020.

4.281. We underscore Japan's strong market orientation and openness to international trade, particularly facing such multiple challenges as supply chain disruptions and increasing protectionist movements, and we share the need of strengthening international cooperation with the goal to ensure more diversified and stable supply sources providing economic security dimension and consistency with the rule of law.

4.282. Recognizing Japan's active participation in the WTO and its significant contributions towards multilateral trade liberalization, we confirm our readiness for further joint work on strengthening the rules-based multilateral trading system, centred on the WTO, to improve trade environment worldwide.

4.283. Being the third largest economy in the world, Japan ranks third among Ukraine's trade partners in Asia and Pacific countries.

4.284. Until 2022, our trade turnover was continuously increasing, even despite implications of the COVID-19 pandemic. In particular, it grew by 29.8% in 2019-2021 (from USD 1.2 billion to USD 1.6 billion).

4.285. Last year, because of the disastrous repercussions of the Russian Federation's unprovoked and unjustified war of aggression against Ukraine, the volume of mutual trade in goods between Ukraine and Japan fell more than twofold and amounted to USD 750.2 million in 2022.

4.286. Tremendous consequences of the war of aggression in Ukraine are significant for international trade, which plays a pivotal role for development of both Ukrainian and Japanese economies as well as for the global economy, and therefore require continued global response and securing supply chains, specifically in terms of food and energy supply.

4.287. Taking this opportunity, we would like to express our sincere respect and gratitude to Japan for the continued support and assistance to Ukraine and deep solidarity with Ukrainian people, for the imposition of strong sanctions against the aggressor State, for all coordinated actions taken by Japan together with the international community, aimed to restore free and open international order, shaken by Russia's aggression against Ukraine.

4.288. We warmly welcome this year's leadership of Japan in the G7 and appreciate focus on Ukraine in the priorities of the Group of G7 Ambassadors. We are particularly thankful for all the support provided to secure Ukraine's economic recovery and development, including ensuring the

stable trade. All political commitments made at international fora such as G7, G20, OECD, etc., to address issues related to Russia's war are of vital importance for Ukraine.

4.289. Ukraine applauds developments in Japan's energy policy aimed, among other things, at securing a stable energy supply and resolving environmental sustainability issues, including related to trade.

4.290. Considering the hard situation in our energy sector and the unstable electricity supply, caused by Russia's continued attacks on Ukrainian civilian infrastructure, we are very grateful to the Japanese Government for humanitarian and emergency grant assistance to support winterization of our electricity system and to protect the people of Ukraine, including help getting them through the cold period.

4.291. We appreciate that Japan actively encourages the private sector to join the recovery of our country. We welcome implementation of relevant energy projects in cooperation with Japan International Cooperation Agency (JICA) and appreciate the readiness of Japan to help with the restoration of critical infrastructure of Ukraine, in particular by providing the necessary equipment and facilities.

4.292. Ukraine is extremely interesting in further developing trade and economic relationship with Japan, despite the war and ongoing challenges.

4.293. The significant economic, scientific, and technical potential of Japan is an important factor for our bilateral collaboration. We are determined to continue to use the opportunities opened up by the transformation of our economy and further integration into the EU. We pay a special attention to cooperation with Japan Business Federation "Keidanren" and hope for boosting win-win business relations and expanding our bilateral trade and investment.

4.294. Given the importance of this TPR exercise, Ukraine submitted questions to Japan concerning measures taken to address the negative impact of the population ageing on Japanese economy, particularities of Japan's tax regime, regulation of Japan's export credit agencies activity, experience in the area of promotion of innovation developments by universities, specifics of insurance against nuclear risks, creation of decarbonization leading areas, etc.

4.295. We wish Japan a very successful Trade Policy Review and look forward to further strengthening our bilateral cooperation.

INDIA

4.296. Let me begin by extending a warm welcome to the delegation of Japan led by Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy of Japan. India is pleased to be a part of the 15th Trade Policy Review of Japan. My delegation would further, like to commend the Government of Japan, the delegation in Geneva as well as the WTO Secretariat for their comprehensive reports. I also thank the discussant H.E. Ambassador João Aguiar Machado of European Union for his insightful remarks.

4.297. India and Japan share "Special Strategic and Global Partnership". Friendship between the two countries has a long history, rooted in spiritual affinity and strong cultural and civilizational ties. Frequent high-level visits have boosted and further strengthened bilateral relations. India and Japan have steadily broadened their ambit of cooperation in diverse fields. I wish to highlight some of the recent initiatives. The India-Japan Digital Partnership was launched in October 2018, furthering existing areas of cooperation as well as new initiatives in S&T and ICT, focusing more on "digital ICT technologies" including the setting up "start-up hub" between India and Japan. The Supply Chain Resilience Initiative (SCRI) was launched in 2020 by India together with Australia and Japan, with an objective to ensure resilience of supply chains through diversification in the Indo-Pacific region. The India-Japan Industrial Competitiveness Partnership was launched in 2021 to jointly explore the possibilities of enhancing India's industrial competitiveness. Apart from these, the two countries also partner in various other areas like skill development, energy, transport, logistics, manufacturing, engineering sectors, to name a few.

4.298. Economic and commercial relations are an important pillar of this relationship. The signing of the historic India-Japan Comprehensive Economic Partnership Agreement (CEPA) and its implementation from August 2011 has accelerated economic and commercial relations between the two countries, however, immense potential remains that needs to be harnessed. Japan's bilateral trade with India totalled USD 20.57 billion during FY 2021-22. Japan is the fifth largest investor in the Indian economy with cumulative, FDI inflows of USD 38.13 billion from April 2000 until September 2022. In recent years, Japanese FDI into India has mainly been in electrical equipment; general machinery; chemicals and pharmaceuticals; financial and insurance; construction; transportation; wholesale and retail; and services sectors.

4.299. It is worth mentioning that of over 1,455 Japanese companies operating in India manufacturing firms account for more than half of them. With the Japanese companies being market leaders in several Indian consumer sectors, we hope that the feedback from the Japanese private sector reflects more concretely in the trade concerns raised by Japan in various WTO bodies. Number of Indian companies present in Japan is also increasing with over 100 Indian companies now working in Japan. Japan supports India's efforts for accelerated economic development particularly in priority areas like power, transportation, environmental projects and projects related to basic human needs. Accumulated commitment as of date is over JPY 6.876 billion with 77 ongoing projects. During the visit of Honourable Prime Minister Mr Kishida in March 2022, both Prime Ministers expressed intention to realize JPY 5 trillion of public and private investment and financing over the next five years, to finance appropriate public and private projects of mutual interest in India.

4.300. While Japan remains an open economy, some of the policies that are restrictive in nature are coming in the way of realizing the full potential of our economic partnership. I take this opportunity to highlight a few of them. High tariffs on food products like wheat, rice, vegetables, stringent regulatory requirements for sectors like pharmaceuticals, organic products, stringent technical quality regulations in textiles and apparels sector, use of restrictive private standards leading to WTO plus demands from exporters, SPS measures, reluctance to sign mutual recognition agreements and market access restrictions in sectors like IT services, pharmaceuticals, steel, etc., have resulted in excessive cost burden and barriers to our exporters of goods and services. We have heard similar concerns today from other trade partners of Japan. We hope that Japan will review these requirements to make them simpler, and reduce the regulatory barriers to trade, consistent with international norms and standards.

4.301. Also, as part of this TPR exercise, my delegation has submitted several questions on various schemes, policies and measures of Japanese Government in areas like goods, agriculture, services, and intellectual property. We look forward to reviewing the answers provided by the delegation of Japan to our questions.

4.302. We appreciate the commitment of Japan to the multilateral trading system and their active engagement at the WTO. Both India and Japan have a shared interest in a strong and effective multilateral trading system, and we will continue to work closely with Japan, towards achieving this shared objective. We also remain committed to further expanding and deepening of our bilateral trade and investment ties for our mutual benefit. In closing, India wishes the delegation of Japan a productive and successful Trade Policy Review.

RUSSIAN FEDERATION

4.303. At the outset, I would like to appeal to you, Chair, regarding the statements of a couple of delegations who spoke before me and whose interventions certainly contain politicized elements which evidently go beyond the topic of today's meeting and the mandate of the TPRB. We believe that repeating those political allegations over and over again will not make them true or relevant to the functioning of the WTO. So, I would kindly ask you, Chair, to approach those delegations and request them to strictly follow the mandate of the TPRB and the rules of procedure of this body.

4.304. I would like to welcome the delegation of Japan at its 15th Trade Policy Review. We expect that this exercise will generate valuable insights and help Japan enhance the transparency of its trade regime.

4.305. We regret Tokyo's decision to refuse to conduct its TPR in a proper manner. The precedent to blatantly ignore submitted questions was first set by the United States at its TPR in

December 2022, and now we witness Japan following this example, making Japan's commitments to transparency in trade meaningless. This dangerous trend is detrimental to the multilateral trading system and harmful for the work of Organization.

4.306. As Members can recall, during the recent TPR of Malaysia, the Chair of the meeting stated in his final remarks that the Review will be concluded after all submitted questions are answered in full. I hope that Japan will live up to its WTO obligations and will leave no question unanswered, so its TPR can be considered successfully concluded.

4.307. The Russian Federation and Japan have a long history of trade relations that is difficult to nullify. In 2022, the Russian Federation ranked 18th among Japan's trading partners in terms of trade volume. Russian export to Japan grew by 13.4% during that year and reached USD 12.2 billion.

4.308. The Report by the Japanese Government states that "Japan has been committed to trade liberalization under the multilateral trading system centered on the WTO. Japan is determined to be fully engaged in this non-discriminatory, open and rule-based regime".

4.309. Regrettably, no number of written assurances of commitment to trade liberalization can make up for Japan's actions in practice. The recent series of unilateral restrictions is hardly compatible with the principles of non-discrimination and free trade declared by Japan.

4.310. Since 2022, Japan has joined anti-Russian sanctions and restrictive measures enforced by some WTO Members. Japan revoked the Russian Federation's most favoured nation (MFN) status. Tokyo also prohibited the supplies of vital industrial equipment to the Russian Federation. In addition, Japan imposed discriminatory price cap mechanism for oil and petroleum products of Russian origin. New investments by Japanese companies in my country, as well as lending for joint projects, are also banned.

4.311. Such actions severely compromise trade liberalization, dilute the role of the WTO and contribute to further fragmentation and erosion of the multilateral trading system. Not only are these measures illegal in the WTO, but they also have severe negative consequences for the world economy, affect trade in goods and exacerbate global economic, energy and food crises.

4.312. We would like to once again remind the WTO Membership that applying political reasoning to trade and economics would only do harm to the multilateral trading system and along with it – to all trade participants in our interconnected world. Actions speak louder than words. We call upon Japan to return to the path of constructive cooperation.

4.313. There is a saying in Japan "to lose face" (in Japanese: menboku o ushinau). In our view, by conducting such a policy towards the Russian Federation, openly violating its obligations within the WTO and ignoring the established procedure of the TPR, the Japanese Government is losing its face and its traditional reputation of a trustworthy partner.

4.314. The Russian Federation trusts that Japan would not drift further towards unilateralism and protectionism and would instead set its course towards maintaining a stable multilateral trading system.

REPUBLIC OF KOREA

4.315. I would like to extend our warm welcome to the delegation of Japan for its 15th Trade Policy Review, led by Ambassador Akihiro Okochi, I would also like to express my sincere appreciation to Ambassador Kazuyuki Yamazaki and his team for their active engagement in Geneva. My special thanks also go Ambassador João Aguiar Machado of the European Union for his insightful observations and comments as discussant, and to the Secretariat for its informative Report.

4.316. The Republic of Korea and Japan have been expanding trade relations over the decades, leveraging geographic proximity and complementary structures. As of 2021, Japan was Korea's third-largest trading partner while Korea was fourth largest to Japan, despite the declining of bilateral trade in 2020 due to the COVID-19 pandemic, it has been steadily growing since then and

the trade volume has been eventually recovered to the pre-pandemic levels exceeding USD 85 billion.

4.317. Moreover, bilateral investment cooperation is also on a path to recovery playing a significant role in mutually complementing our supply chains. On top of the bilateral ties, the two countries have been broadening collective efforts by jointly participating in mega-FTAs like RCEP and regional initiatives, including IPEF in addressing rapidly changing trade environment and tackling common global challenges such as climate change.

4.318. The Republic of Korea takes note of Japan's efforts in maintaining the spirit of open and free trade during the then-pressing circumstances, this has been instrumental in mitigating disruptions in the supply chains and effectively responding to the effects of the global trade contraction.

4.319. Within WTO, the Republic of Korea welcomes Japan's commitment, and values our cooperation with Japan on various issues of mutual concern. Firstly, the Republic of Korea recognizes that Japan attaches importance to ensuring its transparency commitment to Members while constructively participate in efforts to improve the overall transparency in the Organization. On the WTO reform front, the Republic of Korea acknowledges that Japan actively engages in ongoing reform discussions to explore ways to enhance the effectiveness of the WTO's monitoring, negotiating, and dispute settlement functions with a view to delivering outcomes meeting the needs of today's global economy.

4.320. Furthermore, the Republic of Korea recognizes Japan's leadership as a co-convenor of the Joint Statement Initiative on E-commerce and its efforts to facilitate meaningful progress on a range of areas including TESSD. More broadly, Japan has been contributing to the global economy through strengthening its efforts to enhance the openness, stability, and the transparency of international trade in various communities like APEC, G20, and OECD, as the Republic of Korea and Japan continue the joint participation in major economic efforts, the Republic of Korea expects that this collaboration will help advance our bilateral trade and investment growth in a more sustainable manner. Given the growing importance of the two countries' role in global trade and investment, the Republic of Korea believes that it is crucial for us to constructively cooperate to seek ways to contribute to the global economy while overcoming common challenges posed by the recent structural shifts such as carbon neutrality and digital transformation.

4.321. In spite some differences from time to time, the Republic of Korea and Japan are united in support of a strong multilateral trade system, this unity is ever more required in this difficult time of global turbulence and uncertainty in pursuit of resilient, sustainable, and inclusive economic growth, the Republic of Korea firmly believes that the rules-based multilateral trading system will become more important.

4.322. The Republic of Korea affirms that it will spare no effort in continuing our constructive engagement with all Members including Japan, in addition, the Republic of Korea looks forward to Japan's leadership as the Chair of the G7 this year in addressing global concerns to the advantage of the whole international society.

4.323. In closing, I wish the delegation of Japan a very successful Trade Policy Review.

REPUBLIC OF MOLDOVA

4.324. Let me start by expressing our appreciation and thanks to the Government of Japan and as well to the Secretariat for preparing this review and the reports that were submitted. I would particularly welcome the delegation from Tokyo led by H.E. Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy. I would also like to express appreciation to Ambassador Yamazaki and his team here in Geneva as well to the esteemed discussant the Ambassador Aguiar Machado; and to you, Chair, for the work in preparing this review.

4.325. The Republic of Moldova welcomes the chance to comment on Japan's trade policy development since the last Review bearing in mind the importance and the role it is playing as a bilateral partner for the Republic of Moldova, but as well as its position as a strong advocate of the rules-based multilateral trading order.

4.326. We welcome Japan's active participation in efforts to strengthen and revitalize the WTO involvement in a range of important initiatives, including on E-commerce, Services Domestic Regulation, Investment Facilitation for Development, and on MSMEs. Japan has also been an important partner in the Trade and Environmental Sustainability Structured Discussions and, as we are approaching the International Women's Day, I would like to emphasize the importance of actions oriented towards women empowerment and welcome Japan's support for the Buenos Aires Declaration on Trade and Women's Economic Empowerment. We are looking forward to continuing actions in this field.

4.327. We commend Japan for its role in the multilateral trading system and for its ongoing support for the mechanism that ensures prosperity for all communities, and we encourage it to continue to have a strong voice within this Organization.

4.328. Since this review includes a period of acute economic instability globally, we are pleased to note and to welcome the positive steps which the Japanese Government has taken to mitigate these shocks, notably through the expansion of digital services for administrative procedure for imports and exports. It is encouraging to see that in this economic difficult period, actions such as this, demonstrate that solutions can be found, notably digital ones, which can accelerate best practice sharing and improve the free trading environment. As we know, this also builds on previous efforts of the Government to improve customs procedures as indicated in the previous Review.

4.329. We would also like to commend Japan good transparency record and would encourage it to continue its efforts in this sense, setting a positive example.

4.330. From a bilateral perspective, we share more than 30 years of bilateral relations with Japan, having as a basis more than 40 agreements in different areas. Our bilateral trade increased in the last years, but still, it is quite modest. We are looking forward for ways to improve this situation, a considerable potential being in the food and agriculture sector, while trade promotion events are important and, for example, the Republic of Moldova will take part in Expo Osaka 2025, we believe that developing trade arrangements might be an additional avenue to be explored; and like other Members and as indicated by the discussant, we would be interested to learn more on Japan plans in regard to regional and bilateral trade arrangements.

4.331. We have also addressed specific questions on how the Republic of Moldova could improve its use of the unilateral trade preferences offered on the GSP scheme by Japan.

4.332. On another bilateral aspect, while trade is modest, I am pleased to say that Japan accounts for one of the most important partners of the Republic of Moldova when it comes to investment with a considerable number of companies present in our country investing in various fields, including ICT electronics, automotive industry, and agriculture.

4.333. One of the sectors that we are particularly pleased to express our gratitude to Japan is the development assistance that has been provided to the Republic of Moldova throughout the years and recently it is humanitarian support to the Republic of Moldova, we have various programmes being implemented in our country some of them in economic or trade-related field, in the agricultural field, but as well for the development of SMEs, energy, and some other social projects. We are pleased to note that this appreciation goes not only for our bilateral cooperation but when it comes also to WTO and to the multilateral trading system as Japan is also a major supporter and donor or various initiatives within WTO.

4.334. In conclusion, the Republic of Moldova welcomes Japan's commitment to the rules-based multilateral trading system and its very active and admirable participation in various initiatives. We also look forward to working closely with the team here in Geneva but also in Tokyo to strengthen our good cooperation.

MALAYSIA

4.335. To begin with, allow me to warmly welcome H.E. Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy of Japan as the head of delegation, our fellow colleague here Ambassador Kazuyuki Yamazaki as well as the Japanese delegation to its 15th Trade Policy Review.

4.336. Our appreciation goes to the Japanese Government and the WTO Secretariat for the comprehensive review reports that have been our reference for this review exercise. We also thank H.E. Ambassador João Aguiar Machado from the European Union for his insights and assessment of Japan's trade policy development since its last Review back in 2020.

4.337. Malaysia welcomes the opportunity to participate in Japan's 15th Trade Policy Review, and we also associate ourselves to the ASEAN statement to be delivered by Indonesia.

4.338. Malaysia would like to commend Japan for its continued efforts to facilitate international trade. We acknowledge Japan's participation in various free trade arrangements and regional integration efforts that promotes access to the Japanese market and attract investment.

4.339. At the multilateral front, Malaysia appreciates Japan's diligent and constructive participation in many WTO initiatives that Malaysia has also taken part in, particularly Japan's contributions to the negotiations on the JSI on investment facilitation for development, JSI on e-commerce, as well as the fisheries subsidies. In particular, we laud Japan's recent contribution to the WTO Fisheries Funding Mechanism which we believe would assist the developing and least developed country Members in the process of implementing the newly adopted Fisheries Subsidies Agreement.

4.340. Bilaterally, Malaysia and Japan enjoy an increasingly robust economic relationship. Total trade in 2022 increased significantly by 23.0% to USD 37.9 billion. In the same period, Malaysia's exports to Japan increased by 31.2% to USD 20.51 billion compared to USD 16.65 billion in 2020, while imports increased by 14.5% to USD 17.39 billion compared to USD 16.16 billion in 2021.

4.341. Malaysia and Japan are also key partners at the regional level, by virtue of our shared membership in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), and the Regional Comprehensive Economic Partnership (RCEP) which entered into force in 2022.

4.342. For this review, Malaysia had submitted written questions on areas such as agriculture, intellectual property rights, government procurement, and green growth. Malaysia is keen to understand the latest developments in these areas, particularly relating to the ESG adoption, green government procurement, and sustainability issues.

4.343. We would like to take this opportunity to thank the delegation of Japan for responding to our questions and we shall examine the responses with great interest.

4.344. We wish the delegation of Japan a productive and successful 15th Trade Policy Review.

ECUADOR

4.345. We welcome the delegation of Japan present at this meeting, particularly its head of delegation, Mr Akihiro Okochi, Deputy Assistant Minister at the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs, as well as the members of its Mission in Geneva. We would like to pay a special tribute to Ambassador Kazuyuki Yamazaki, Permanent Representative of Japan to the WTO, for his hard work in this Organization.

4.346. Ecuador would like to join other Members in expressing appreciation for the work carried out both by the WTO Secretariat and the Japanese authorities in preparing the reports for this review, and for the objective analysis of the discussant, Ambassador João Aguiar Machado.

4.347. We, too, salute Japan's remarkable regulatory and economic stability. During the period under review, we note on the one hand that many policies have remained constant or have been adjusted in keeping with their spirit, while, on the other hand, there are new programmes, plans and initiatives aimed at responding to pressing current challenges.

4.348. Among the new policies, Ecuador observes with interest the plans to achieve net zero greenhouse gas emissions by 2050, which goes hand in hand with Japan's Environment Innovation and Green Growth strategies. The airport decarbonization plan is also worth highlighting in this context.

4.349. Furthermore, the Smart Customs Plan 2020, issued with a view to promoting digitalization of customs procedures and automation of customs inspection, underscores Japan's commitment to measures that facilitate trade through the use of new technologies.

4.350. We cannot ignore the challenges posed by the COVID-19 pandemic in the period under review. The results show that the macroeconomic policies implemented by Japan allowed its imports and exports to recover substantially, and even exceed their pre-pandemic levels. At this point, I would like to express our gratitude for the support and solidarity that Japan offered my country during this global public health crisis, which hit Ecuador particularly hard.

4.351. Despite the economic and trade strengths I have mentioned, there are some points that my country would like to raise. We have found that Japan's applied tariff structure remains complex and that foreign companies retain a low share in the public procurement market, and we request further clarification regarding the registration of foreign conformity assessment bodies, among others.

4.352. The questions submitted by my delegation in the context of this Trade Policy Review cover some of these issues, as well as others related to the application of Japan's Generalized System of Preferences, regulatory measures, technical regulations, regulations for virtual currencies and its strategy for growth through the negotiation of economic partnership agreements. We thank Japan in advance for the replies it will provide in the coming days on these topics of interest.

4.353. At the multilateral level, we wish to highlight Japan's firm engagement in various areas of discussion at the WTO in which we share common aspirations, including the ratification of the Agreement on Fisheries Subsidies; the plurilateral negotiation processes on e-commerce and investment facilitation for development; environmental initiatives, especially regarding plastic pollution, and the trade and environmental sustainability discussions; the informal working groups on MSMEs and trade and gender; and the Coalition of Trade Ministers on Climate. We have an intensive agenda with shared visions the purpose of which is to strengthen this Organization and shore up its relevance in the face of global challenges.

4.354. At the bilateral level, our trade is worth more than USD 700 million. In 2022, Ecuador's major exports to Japan included pickled agricultural products (31.2% of total exports), bananas (24.4%), shrimp (23.6%), cocoa (5.2%) and natural flowers (4.1%).

4.355. In the same year, the main Japanese imports into Ecuador were other metal manufactures (29.6% of total imports), light motor vehicles (9.6%), heavy vehicles (6.6%), and engines and parts thereof (4.5%).

4.356. As can be seen, Ecuador and Japan have a very fruitful exchange, and we recently celebrated the 100th anniversary of our diplomatic relations. The recent visit of the Japanese Minister of Foreign Affairs, Mr Hayashi Yoshimasa, to Ecuador confirms the excellent relations between both countries, which we hope to develop yet further in the near future.

4.357. I would like to finish this statement by wishing Japan a successful conclusion to this Trade Policy Review.

INDONESIA ON BEHALF OF ASEAN

4.358. First of all, Indonesia would like to make a statement on behalf of ASEAN.

4.359. It is a great pleasure to warmly welcome the delegation from Japan led by Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy of the Ministry of Foreign Affairs of Japan, to their 15th Trade Policy Review.

4.360. We thank the Government of Japan and the WTO Secretariat for the comprehensive reports, as well as H.E. Mr João Aguiar Machado of the European Union for his role as discussant.

4.361. For ASEAN, Japan has long been one of ASEAN's key trade and investment partners. In fact, the year 2023 marks the 50th commemorative year of ASEAN-Japan relations. In this regard, Japan and ASEAN have undertaken concrete and mutually beneficial cooperation activities throughout the years.

4.362. Despite the ongoing global economic slowdown, ASEAN-Japan economic relations still manage to thrive. On trade, for example, in 2020, ASEAN's total trade with Japan was USD 214 billion, with exports to Japan worth USD 104 billion and imports from Japan worth USD 110 billion. However, in 2021, trade between ASEAN and Japan rebounded, with total trade amounting to USD 240 billion.

4.363. Furthermore, ASEAN's foreign direct investment (FDI) from Japan in 2020 and 2021 was recorded at USD 11.7 billion and USD 11.8 billion respectively. These numbers signify the positive sign of resilience as well as the continued strength of the ASEAN-Japan economic relationship.

4.364. Despite this positive progress, and the fact that Japan has been ASEAN's fourth-largest trading partner and third-largest source of FDI in 2021, it is still crucial to continue harnessing the potentials for economic cooperation, especially with regard to Japan-ASEAN trade and investment relations.

4.365. As such, we view that concrete implementation of some key cooperation initiatives between ASEAN-Japan, such as the renewed ASEAN-Japan 10-Year Strategic Economic Cooperation Roadmap 2016-2025, will be instrumental.

4.366. Moreover, through the implementation of ASEAN-Japan Comprehensive Economic Partnership (AJCEP), both ASEAN and Japan can also enjoy a range of benefits, including tariff concessions, that can help to further increase trade, as well support economic growth, job creation and sustainable development in the region.

4.367. Furthermore, we also encourage Japan to continue its active engagement in regional economic integration initiatives. In this vein, we welcome the Regional Comprehensive Economic Partnership (RCEP) Agreement in November 2020.

4.368. ASEAN also commends Japan for its strong commitment to the multilateral trading system, including its contribution and constructive involvement in several areas of work and negotiations at the WTO.

4.369. Together with Japan, ASEAN reaffirms our strong commitment to uphold an open, inclusive, transparent, non-discriminatory, and rules-based multilateral trading system as embodied in the WTO.

4.370. Last but not least, several ASEAN member States in the WTO have submitted written questions to Japan, and we would like to express our appreciation in advance to Japan's written responses.

4.371. Finally, we would also like to thank the Japanese delegation for their constructive engagement and commend the contribution of H.E. Ambassador Kazuyuki Yamazaki and members of the Japan Permanent Mission in Geneva for their hard work. We wish Japan a successful 15th Trade Policy Review.

INDONESIA

4.372. Let me join our fellow Members in giving the warmest welcome despite this freezing Geneva weather to the delegation from Japan, led by Deputy Assistant Minister for Foreign Affairs, Mr Akihiro Okochi.

4.373. We would also like to thank the Secretariat for its comprehensive Report, Chair and the discussant, Ambassador João Aguiar Machado of the European Union for leading today's discussions.

4.374. We still remember the last Trade Policy Review in 2020, in which Japan became the first WTO Member who conduct the Review in the virtual hybrid mode, amidst the COVID-19 pandemic.

4.375. Let me start by commending Japan for its continuing economic achievements during the review period. As mentioned in the Secretariat Report, Japan's economy is the third largest in the world by nominal GDP which stood at USD 4.9 billion and growth rate stood at 1.7% in 2021.

4.376. In this regard, Indonesia welcomes the continuous efforts of the Government of Japan in trade and investment liberalization as central to Japan's overall economic strategy.

4.377. We applauded Japan's three-pillar strategy which is a combined efforts of both fiscal and monetary policy expansion and structural reform, which were intended to strengthen business investment and private consumption, with a view to overcoming the prolonged deflation and revitalizing the Japanese economy.

4.378. Since 1 July 2008, the Indonesia-Japan Economic Partnership Agreement (IJEPA) has been in effect for 15 years. IJEPA is Indonesia's first bilateral trade agreement, this milestone clearly reflects Japan's position as one of Indonesia's most important trading partners with a total trade transaction valued at USD 32 billion in 2021.

4.379. Furthermore, in the context of ASEAN, this year ASEAN is celebrating the 50th anniversary of ASEAN-Japan Friendship and Cooperation. Several collaborative activities and action plans were developed during Indonesia's presidency to commemorate the aforementioned event.

4.380. On the multilateral front, Indonesia also commends Japan's firm commitments and continuous contribution to the rules-based multilateral trading system. This includes the implementation of Agreement on Fisheries Subsidies adopted at the MC12 in June 2022 by becoming the first donor to the WTO Fisheries Funding Mechanism. Such funding mechanism will enable the provision of technical assistance and capacity building to help developing and least-developed country members in implementing provisions related to the aforementioned agreement.

4.381. Despite these positive progress, however, there are still some key challenges that will hamper our common efforts in stepping up our bilateral relations. In this regard, I would like to raise our concern about Japan's trade policies, particularly its high level of protection in the agricultural sector through tariffs and inspection. Indonesia also would also ask for a more elaborate description on Japan's fisheries management and its impact to the environment.

4.382. Furthermore, Indonesia would also like to raise on other concerns related to the services sector, intellectual property rights, and investment, all of which are already reflected in our written questions. To this end, we expect the Government of Japan to provide clear clarification and response to these concerns.

4.383. Finally, we would like to wish this review every success.

MAURITIUS

4.384. We warmly welcome the delegation of Japan led by H.E. Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy; and congratulate Japan for pursuing its 15th Trade Policy Review.

4.385. We thank both Japan and the Secretariat for their respective reports. We also thank Ambassador João Aguiar Machado for his insightful remarks as discussant that helped start today's discussion.

4.386. We note that Japan has recently adopted and is implementing the Grand Design and Action Plan for a New Form of Capitalism with a view to resolving social issues and achieving economic growth. We are confident that such measures will make the Japanese economic and social structures more resilient and sustainable, especially in the wake of the COVID-19 pandemic and other international and domestic challenges. We are also pleased to note that recent labour market reforms to address the demographic challenge have been successful in raising the level of employment and offsetting the impact of an ageing population.

4.387. Mauritius would like to congratulate the Japanese authorities for its planned reduction of its carbon emissions to 46% by 2030, and for the promotion of green innovations and finance in this regard. As a small island vulnerable to the effects of climate change, we fully appreciate the significance of this.

4.388. Mauritius and Japan enjoy excellent bilateral relations and we share common values. Over the years, Mauritius has benefited from technical assistance and capacity building projects by Japan in many fields, including meteorological services, geotechnical matters, coastal ecosystem management and coastal surveillance. In the wake of the Wakashio oil spill, Japan readily stepped in to help.

4.389. We thank Japan for its continued assistance provided to Mauritius for our port development and maritime security among others. We look forward to continue working with Japanese authorities for the sustainable development of our fisheries sector and the blue economy.

4.390. We commend Japan for extending the effective period of the GSP scheme to 31 March 2031. The GSP scheme has improved market access for many developing countries, including Mauritius. We, however, note a trade balance that is highly in favour of our Japanese friends, and that our exports remain at a relatively low level and limited to only a few products. We believe there could be more exports but we must work together towards simplifying access.

4.391. Mauritius believes a comprehensive economic partnership agreement with Japan would be helpful to further consolidate our economic and trade relations.

4.392. On the regional point, Mauritius commends Japan for the numerous projects in Africa announced during TICAD 8 in Tunisia last year such as the launch of an investment fund for start-ups and the Green Growth Initiative for Africa. Furthermore, with the coming into force of the AfCFTA, we feel that a lot of opportunities will open up for Japan to further develop its trade ties with Africa. Mauritius looks forward to working with the Japan in this regard.

4.393. Both Mauritius and Japan are committed to trade liberalization and we are supporters of a non-discriminatory, open and rules-based WTO regime. We commend Japan for its contribution towards the implementation of trade-facilitating measures in the areas of customs and services, impediment of export restrictions, temporary removal or reduction of tariffs on essential medical goods, and improvement of transparency overall. We note that Japan is an important donor to various WTO technical assistance activities including the TFA. Given that Mauritius is yet to fully implement its Category C measures, we look forward to working with Japan in fulfilling our TFA commitments.

4.394. We also seize this opportunity to commend Japan for its proactive role as a co-convenor of the e-commerce joint statement initiative as well as for its contribution to the discussions on services domestic regulation and investment facilitation for development.

4.395. In concluding, I would like to recognize that our colleague, Ambassador Kazuyuki Yamazaki, is very able and active beyond WTO and during recent elections at the ITU.

4.396. We wish the delegation of Japan a very successful Review.

JAMAICA

4.397. Jamaica joins other WTO Members in welcoming the delegation of Japan, at this, its 15th Trade Policy Review. We thank H.E. Mr Akihiro Okochi, Deputy Assistant Minister, and his team for their comprehensive Report.

4.398. We convey thanks to the discussant, Ambassador João Aguiar Machado, for expertly outlining key issues to be elaborated upon during today's review. We also thank the Chair and the Secretariat for their respective contributions to this exercise.

4.399. Jamaica and Japan enjoy excellent relations of friendship, mutual respect, and collaboration. Commencing in 1964, this relationship has grown from strength to strength and bolstered through regular engagements, exchange of official visits, including at the highest level, as well as educational and cultural exchanges. In recent years, we have launched the Jamaica-Japan Friendship Association, which represents a new dimension of the "J-J" partnership.

4.400. We are appreciative of the technical and economic cooperation between our two countries. Jamaica has been a recipient of official development assistance (ODA) in the form of grants, loans,

and technical assistance to support our efforts to improve infrastructure, boost agricultural production, and hone local skills in forestry and fisheries as well as civil engineering and public health; the latter being particularly critical to Government of Jamaica's response to the COVID-19 pandemic.

4.401. Jamaica, therefore, looks forward to commemorating 60 years of our bilateral partnership with Japan in 2024 as well as to celebrating the Japan-Caribbean Friendship Year, for which 2024 was designated by the Government of Japan.

4.402. We have also collaborated on issues of mutual interest at the regional level through CARICOM, and in multilateral fora, including the WTO and UN agencies in Geneva.

4.403. We would like to commend, up front, the sterling leadership of Ambassador Kazuyuki Yamazaki, Japan's Permanent Representative, through whom Japan has remained a constructive partner on important issues on the agenda of the various Organizations in Geneva. We hope to continue this partnership as we work to advance the work of the WTO.

4.404. Japan is undoubtedly one of the world's most influential trading economies. As such, we appreciate the Government's efforts to maintain Japan's macroeconomic stability and economic growth over the period under review. Confidence in the Government's management of its domestic and international affairs has allowed it to maintain its position among the top sources of foreign investment, and the top 30 economies in the world.

4.405. We note positively that the Government has sought to address compounding issues related to the COVID-19 pandemic, its demographic challenges and high debt-GDP ratio. Japan has acknowledged that ongoing work is necessary to maintain credibility to meet its external obligations and its fiscal responsibilities. As such, we note with optimism the OECD's projection that real GDP growth will remain moderate at 1.8% in 2023.

4.406. We appreciate further the attention being given to labour and other market reforms, which aim to increase Japan's productivity, accelerate digitalization, investment, and research and development. While the Secretariat's Report indicates that the COVID-19 pandemic adversely affected its merchandise exports and imports, Japan's combined value of merchandise exports and imports showed robust recovery in 2021; exceeding pre-pandemic levels. We also note that services exports and imports rebounded in 2021. This is commendable and the Government's efforts to sustain this upward trajectory should be supported.

4.407. Like Jamaica, Japan understands the serious and adverse impact of climate change on our collective existence. We therefore welcome the Government's announcement of plans to achieve net zero greenhouse gas emissions by 2050. We appreciate its elaboration of a revised long-term strategy under the Paris Agreement to promote green innovations and finance, among other initiatives. Such strategies offer opportunities for increased discussion and future collaboration among all Members.

4.408. A net importer of fish and fish products, Japan has a well-developed fisheries sector, accounting for 3.94% of the global capture production in 2019. Given concerns related to the sustainability of global fish stocks, we welcome the Government's indication that the WTO Agreement on Fisheries Subsidies is undergoing the ratification process. We applaud the strong demonstration of Japan's commitment through its significant contribution to the WTO Fisheries Funding Mechanism in February. This is in line with the Japan's commitment to ensure sustainable use of marine living resources.

4.409. Jamaica reiterates the importance of the WTO fisheries, which although partial, seeks to prohibit or limit certain forms of subsidies, namely those that contribute to illegal, unreported, and unregulated fishing, and addresses other related issues, which are critical for developing countries.

4.410. Japan's active participation in the multilateral trading system is further evidenced in the delegation's use of the WTO Dispute Settlement System. We see this as a strong testament of its belief in the ability of the system to deliver on our shared objectives of building a fair, transparent, and rules-based multilateral trading system. Action to simplify its customs procedures, limit its use

of trade remedies, and improve its intellectual property rights regime have also been undertaken by Japan.

4.411. However, Members have raised concerns about issues related to Government's procurement procedures; screening requirements for FDI; revision and coverage of the Nippon Export and Investment Insurance Act; protection of geographical indications to name a few. Jamaica looks forward to the exchange with the Japan in this regard.

4.412. Jamaica appreciated the opportunity to exchange on Japan's trade policies. We extend best wishes to the delegation for a successful 15th Trade Policy Review.

FIJI

4.413. Fiji welcomes the delegation of Japan to its 15th Trade Policy Review led by Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy. We thank the Government of Japan for its Report as well as the Report compiled and reported by the Secretariat. The efforts by the discussant H.E. Ambassador João Aguiar Machado of the European Union provides additional insights into the Report which is appreciated.

4.414. Japan is no doubt a trade giant in its own right, an economy that has historically proven itself as highly developed and a member of the OECD. The Japanese products and technologies are pronounced and have gained significant proportion of market share globally given their precision and value for money.

4.415. Japan's Report highlighted climate change and environmental sustainability and Japan's accelerated steps to achieve net-zero emissions is welcomed. We also noted with appreciation Japan's efforts to meet the food safety standards in line with Codex requirements which resulted in the lifting of import restrictions on food products.

4.416. Fiji and Japan share a long-standing relation since the establishment of our diplomatic relations in 1970. We share common aspects of culture, coupled with geographical and environment constraints such as natural disasters and climate change.

4.417. Japanese economy over the years has made substantial contribution towards Fiji's development aspiration similarly with a number of Pacific Island countries.

4.418. Trade between Fiji and Japan continues to flourish and at present, it accounts for approximately 3.9% of Fiji's total trade.

4.419. In relation to investment, a total of 10 Japanese projects were registered for the period 2015 to 2019 in Fiji with a total worth of approximately FJD 0.6 million. Out of these projects, 50% have been in the services sector, we hope that Japan will invest more in Fiji in the near future in the areas of digital technologies and e-platforms.

4.420. Speaking of investment, Fiji provides an environment for investment in a number of sectors, such as light and green manufacturing, commercial agriculture, services – tourism, ICT, Business Process Outsourcing Sectors (BPOs), to name a few. Fiji provides some of the best incentives in these sectors, and we have some of the best advanced technology that could serve the region and the world well with 4G plus mobile network and fast internet connectivity.

4.421. Investing in Fiji, gives access to over 10 million consumers in the Pacific market and also another 9.9 million people in Australia and New Zealand.

4.422. Tourism is a key revenue source for Fiji, between 2015 and 2019, Japan visitor arrivals to Fiji grew at an average of 24% whilst tourism earnings from Japan totalled at 8.5%, making Japan a potential tourism market for Fiji's future growth.

4.423. The re-introduction of direct flights between Narita and Nadi, played a key role in facilitating the direct access of Japanese tourists to Fiji to enjoy our white sandy beaches, warm tropical environment, and Fijian hospitality. In relation to tourism, Fiji commends the Japanese Government for withholding the release of wastewater from its Fukushima Daiichi Nuclear Power Plant as this

would have grave consequences on Fiji's tourism sector and the livelihood of our population who are generally dependent on our oceans and seas for survival.

4.424. As for the World Expo 2025, Fiji looks forward to being part of Osaka for the event, the Expo is expected to present ideas towards the achievement of Agenda 2030 and beyond.

4.425. The bilateral cooperation between our two countries helped enhanced key areas of priority in Fiji such as the Grass-Roots Human Security Projects (GGP); Pacific LEADS Programme (Scholarship); Japanese Government (MEXT) Scholarship for 2019; Rights, Empowerment and Cohesion (REACH) for Rural and Urban Fijians Project, and the Overseas Development Assistance (ODA) programme extended through the Japan International Cooperation Agency (JICA).

4.426. Other potential areas of cooperation include MSMEs, agriculture, light manufacturing and processing plants, information and communications technologies, multinational corporations to meet our niche tourism market, and medical and pharmaceutical sector.

4.427. Fiji looks forward to enhancing trade with Japan through the Indo-Pacific Economic Framework (IPEF) as an opportunity to elevate trade and economic relations with respect to the IPEF pillars.

4.428. In relation to market access, Fiji benefits from Japan's Generalized System of Preferences (GSP) on agricultural, fisheries and industrial products. Agricultural and fisheries products benefit from tariff reductions, including duty-free treatment, whereas industrial products principal duty-free treatment. While GSP rates on some sensitive industrial items are 20%, 40%, 60% or 80% of most favoured nation rates.

4.429. Fiji and Japan share no preferential market access offers, thus trade is carried out at the basic MFN rate, however, there are non-tariff barriers such as high quality and standards demand and other biosecurity issues. The supply chain between our two countries at times are affected by the distance and the volume of demand.

4.430. At the WTO in Geneva, the Japanese delegation headed by H.E. Ambassador Kazuyuki Yamazaki is highly active in various WTO engagements and we thank them for all their constructive engagements and efforts.

4.431. Looking ahead, Fiji will work closely with Japan through our respective government agencies and private sector partnerships to grow our bilateral and economic relationship further. We will also maintain the positive engagement we enjoy with the Japanese delegation here in Geneva and at other multilateral fora.

4.432. We wish the Japanese delegation every success for its Review.

KAZAKHSTAN

4.433. Kazakhstan warmly welcomes the delegation of Japan led by Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy. We express our gratitude to the Government of Japan for their informative Report and statement. We also thank Ambassador João Aguiar Machado for his insightful comments as a discussant and the WTO Secretariat for its comprehensive Report.

4.434. Kazakhstan enjoys strong bilateral cooperation with Japan and attaches high importance to further deepening its economic and trade relations. Japan is a key and fifth largest trading partner of my country in the Asia-Pacific region. In 2022, our bilateral merchandise trade increased by more than half despite the uncertainties in the global trading environment and constituted USD 1.9 billion.

4.435. Aside from trade, Japan is one of the top 10 largest investors in Kazakhstan's economy, accounting for almost USD 8 billion of investments. More than 60 enterprises with Japanese capital are successfully operating in Kazakhstan, including leading companies, such as INPEX, Sumitomo, and Marubeni Corporations.

4.436. Taking this opportunity, we would also like to express high gratitude to the Government of Japan for the humanitarian aid and assistance provided to my country in the fight against COVID-19 pandemic.

4.437. We commend Japan for its sound and resilient economic performance despite the challenges in the global economy and for implementing an ambitious trade-related reform agenda over the period under review. Particularly, we note a strong focus on the 2021 strategy for promoting foreign direct investment aimed at creating a new digital green market, building an innovation ecosystem, and accelerating the development of business environment in response to global environmental challenges.

4.438. Kazakhstan also welcomes the ongoing comprehensive reforms initiated by Japan under the Economic Security Promotion Act adopted in May 2022, with a view of ensuring a stable supply of key products and essential infrastructure services, as well as enhancing the development of inventions and production of advanced technologies.

4.439. We believe that the efforts of the Government of Japan in the implementation of structural economic reforms resulted in maintaining its position as a world top three large economies and sixth most competitive economy according to the World Economic Forum Report.

4.440. We recognize Japan's commitment and engagement in the rules-based multilateral trading system and constructive work in the WTO. Particularly, we commend Japan's contributions to the discussions on agriculture, fisheries subsidies, WTO's response to the pandemic, and for its role as co-convenor of the Joint Statement Initiative on E-Commerce and the active participation in the Services Domestic Regulation, and Investment Facilitation for Development initiatives.

4.441. We would like to support other Members and eco statements that greater liberalization of agriculture would contribute to competitiveness and that Japanese consumers would be the main beneficiaries of these policy reforms.

4.442. Kazakhstan thanks Japan for the written replies to our questions addressing exports promotion and financial aid issues.

4.443. In conclusion, we would like to congratulate the delegation of Japan and the WTO Secretariat for the hard work and efforts that went to preparing for this Trade Policy Review.

4.444. We would also like to express our appreciation for to the active role here at the WTO to Ambassador Kazuyuki Yamazaki and his team in Geneva. As representative of the MC12 Chair country, I also would like to express our gratitude to the Government of Japan for making the successful outcomes of the MC12 realistic.

4.445. We wish the delegation of Japan every success for the 15th Trade Policy Review.

URUGUAY

4.446. Uruguay would like to extend a warm welcome to the delegation of Japan, headed by Mr Akihiro Okochi, Deputy Assistant Minister at the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs, on the occasion of the fifteenth Trade Policy Review, and to thank him for his presentation. We would also like to thank the Secretariat for its comprehensive report and Ambassador João Aguiar Machado for his insightful interpretation of the review.

4.447. At the bilateral level, our countries are at one of their highest points following the official visit from the President of Uruguay, Luis Lacalle Pou, in October 2022, when he achieved various objectives, including the opening of the Japanese market to Uruguayan beef tongue.

4.448. With regard to bilateral trade, exports from Uruguay grew by 20% in 2022, while imports have remained stable. Since 2019, the star product has continued to be high-quality beef.

4.449. The year 2022 saw record levels of Uruguayan exports to Japan, with the prospect of an upward trend in the coming years thanks to the sanitary authorizations obtained in 2018 and 2019.

We understand that there is complementarity between our countries' production, especially given Uruguay's role in providing a secure and consistent supply of safe food.

4.450. Major investments include the acquisition by the conglomerate NH Foods of one of the country's main meat processing plants, and the operations of Takiron in light industry and of Yazaki in the automobile parts sector.

4.451. Furthermore, we believe that Uruguay has an important part to play in Japan's Green Growth Strategy.

4.452. At the regional level, Uruguay is a strong advocate for reaching an agreement between MERCOSUR and Japan.

4.453. At the multilateral level, we both agree that the WTO plays a key role in the rules-based multilateral trading system. This provides us with the certainty needed to ensure that the agreements of this Organization remain relevant and up to the task of meeting global challenges.

4.454. We have worked together on the implementation of the commitments made at the Twelfth Ministerial Conference (the "Geneva Package"), on the implementation of the agreement to prevent subsidies for illegal, unreported and unregulated fishing, and on WTO reform, among other matters.

4.455. We appreciate Japan's efforts in implementing the package of recommendations and statements of the Informal Working Group on MSMEs, aimed at increasing the participation of small and medium-sized enterprises in international trade. We welcome the development of programmes to support these companies in areas such as public procurement, the use of intellectual property tools, the development of e-commerce and issues related to human rights. We encourage Japan to pursue its efforts to fully implement the set of recommendations. We are counting on its support to continue achieving results in the Informal Working Group on MSMEs, bringing its experiences and topics of interest to bear in view of the Thirteenth Ministerial Conference.

4.456. The WTO is a multilateral organization and MSMEs are a global issue. We need the voice and input of Members within the Informal Working Group on this issue in order to enhance the development of a critical mass and good practices.

4.457. We offer our best wishes for a successful Trade Policy Review.

TUNISIA

4.458. My delegation is pleased to participate in the 15th Trade Policy Review of Japan and welcomes the Japanese delegation, led by H.E. Mr Akihiro Okochi, whom we thank for the comprehensive briefing on his country's economic situation and trade policy.

4.459. I also wish to thank H.E. Mr João Aguiar Machado for the pertinent remarks he made in his presentation, and to congratulate the Secretariat on the thorough report it has submitted to us for this review.

4.460. During the review period, which was greatly affected by the pandemic, Japan maintained its position as a global economic power and a major player in the multilateral trading system.

4.461. The reports from the Secretariat and Japan, which are under review, provide a comprehensive and detailed picture of a strong, stable and competitive economy that has proved resilient to crises. In this respect, we note, in particular, an average inflation rate that did not exceed 1% during the period under review and was well under control in 2022, despite the rise in international energy prices and the depreciation of the yen.

4.462. Flexible and bold fiscal and monetary policies combined with structural reforms have enabled Japan to address the demographic challenges posed by its ageing population, to increase labour supply and productivity, and to maintain moderate real GDP growth rates in most years.

4.463. The diversity of Japan's high value-added production, public and private investment in research and the promotion of digitalization have also enabled Japan to post a balance of payments surplus during the period under review and to reaffirm confidence in the solvency of its economy, despite a high ratio of public debt to GDP compared to other developed countries.

4.464. As a founding Member of the WTO, Japan continues to advocate a rules-based, open, liberal and fair multilateral trading system that guarantees stable and transparent transactions. In this respect, we welcome the constructive role it played recently at MC12, particularly in the negotiations on fisheries subsidies and the TRIPS waiver, leading to successful outcomes in these two areas. We would expect Japan to continue to act constructively in order to achieve, by the end of MC13, effective global solutions with regard to fisheries sustainability and equitable access to therapeutics and diagnostics, and to engage in efforts to combat future pandemics.

4.465. Japan's commitment to the multilateral trading system is also evident in its active pursuit of economic partnership agreements in various regions and the diversification of its aid-for-trade and development mechanisms.

4.466. In this context, we welcome the outcome of the eighth Tokyo International Conference on African Development (TICAD 8), held in Tunis on 27 and 28 August 2022, which reaffirmed the commitment of the Japanese Government to establishing fruitful partnerships with African countries in order to grow together and help to build a strong African economy. In this regard, Japan has undertaken to:

- Invest USD 30 billion over the next three years through its public and private sectors to support development in Africa.
- allocate USD 4 billion to green energy development.
- provide up to USD 5 billion in loans for infrastructure investments and USD 300 million in new loans to boost agricultural production and combat food insecurity.
- train some 300,000 African professionals over the next three years in the fields of industry, health, education and agriculture.

4.467. At the bilateral level, the long-standing Tunisian-Japanese political and trade relations, established in June 1956, the year of Tunisia's independence, continue to develop, particularly through Joint Committee meetings, the 10th of which was held in Tokyo in February 2019, or through technical cooperation and infrastructure development agreements and memorandums of understanding between specialized agencies.

4.468. Technical and financial cooperation with Japan dates back to 1975 and the opening of a JICA representative office. We commend the role of this Agency and the considerable support it provides for the implementation of numerous cooperation projects, with a particular focus on sustainable development, the fight against climate change and improving the quality of life of Tunisians.

4.469. This support includes the loans granted for the construction of the seawater desalination plant in Sfax, the Radès power plant and the "Amen Social" programme to mitigate the negative impact of COVID-19 on vulnerable people.

4.470. We also highlight the JPY 1.2 billion grant agreement signed in March 2022 by the Tunisian Government and JICA concerning the project for the construction of fishery surveillance vessels, which are to be delivered in October 2023.

4.471. The project will enhance the marine fisheries monitoring, control and surveillance system in Tunisia and improve the management of fisheries resources, thereby contributing to the effective implementation of the June 2022 Agreement on Fisheries Subsidies.

4.472. Nevertheless, it is disappointing that the volume of trade between Tunisia and Japan remains rather modest. Tunisian exports to the Japanese market, limited to seafood (tuna) and textiles, did not exceed USD 33 million in 2022, resulting in an increased deficit in our trade balance with Japan, with a low coverage ratio of 17%.

4.473. In this respect, we encourage the Japanese authorities to give favourable consideration to the request of the Tunisian Ministry of Trade and Export Development to extend the benefits of its Generalized System of Preferences (GSP) to a specific list of Tunisian products, including seafood (especially bluefin tuna and lobster), pasta, clothing and footwear, and to study the Ministry's proposal for a preferential trade agreement with Japan based on reciprocal customs concessions on two lists of specific products.

4.474. It should be emphasized that our two countries are determined to further strengthen their traditional cooperation in all fields, including agriculture and new technologies, and to capitalize on political and economic achievements and existing institutional frameworks.

4.475. In closing, I would like to commend Ambassador Yamazaki and his team in Geneva for their active engagement in the work of the WTO and wish the Japanese delegation a successful Trade Policy Review.

PARAGUAY

4.476. The Republic of Paraguay would like to extend a warm welcome to the delegation of Japan, headed by the Deputy Assistant Minister at the Economic Affairs Bureau and the Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs, Mr Akihiro Okochi. We would also like to thank you, Chair, for conducting this review, and the discussant and the Secretariat for the comprehensive Report.

4.477. Paraguay and Japan share historical ties of friendship and recently celebrated the 100th anniversary of the establishment of bilateral relations. In addition, during the period under review, Japan was Paraguay's eleventh biggest trading partner.

4.478. As noted in the Secretariat's Report, Japan's economy is characterized by high levels of development and diversification. This is reflected in the bilateral trade between Paraguay and Japan, in which not only is there a deficit for Paraguay but also Paraguay's exports are highly concentrated. A single agricultural product represents around 95% of Paraguay's exports to Japan, while the 10 main exports from Japan to Paraguay account for 48.6% of the total (NGMA).

4.479. It is this high dependence on agricultural commodities in general that guides Paraguay's actions in this Organization and in our bilateral trade relations, as our economy and the livelihoods of a significant portion of our population rely heavily on them.

4.480. For example, much of the sesame grown in Paraguay is intended for Japan. Apart from being of economic interest, this product has development and social relevance for Paraguay owing to its widespread use by small producers and in the substitution of illicit crops.

4.481. There is significant economic complementarity between Japan, as a net importer of food, and Paraguay. To benefit from this, we need to advance in all areas of agricultural negotiations. A less distorted market and greater market access opportunities, and not only tighter disciplines on export restrictions, will make it possible to provide Japan with increased food security. We hope to be able to continue to work together on negotiations to reach a satisfactory and balanced outcome for both countries and all Members.

4.482. We also share work with Japan in various other bodies and joint initiatives at the WTO; we would like to express our particular thanks for Japan's leadership as co-convenor of the discussions on electronic commerce. We hope to continue to make progress in the discussions this year and that the needs of developing countries will be taken into account.

4.483. Another important issue that we are carefully monitoring is that of sanitary and phytosanitary measures. Although the legal framework and the processes in Japan are extensive and often complex, we have previously had good experiences of resolving capacity challenges with Japan with the instruments and cooperation afforded to developing countries in the SPS Agreement.

4.484. I would therefore like to take this opportunity to request that Japan accelerate the administrative risk analysis processes relating to the opening of the Japanese market to Paraguayan bovine meat, which have been under way for several years.

4.485. On behalf of my country, I reiterate my congratulations to those responsible for conducting this review and to the delegates of the Permanent Mission of Japan.

CAMBODIA

4.486. At the outset, Cambodia associates itself with the statement of ASEAN delivered by Indonesia. My delegation is pleased to participate in the 15th Trade Policy Review of Japan.

4.487. I would like to warmly welcome the delegation of Japan led by Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy of Japan. Our special thanks also go to the discussant, H.E. Mr João Aguiar Machado of the European Union, for his insightful remarks and for outlining some interesting questions. We appreciate the Report prepared by the Secretariat and the Government of Japan which outline recent developments in Japan, trade policies and practices.

4.488. Cambodia and Japan enjoy long-standing and friendly relations, not only on trade but also in other areas as well, including infrastructure, education, and social development, just to name a few. Cambodia wishes to congratulate Japan for maintaining its position as the third largest economy in the world. We also commend Japan for their remarkable economic achievements, including economic resilience, low inflation rates, and the ability to maintain sound fiscal and liberal trade policy despite the COVID-19 pandemic and global challenges such as food, energy, and cost of living crises.

4.489. In terms of economic ties, Japan is an important trade and investment partner for Cambodia. Bilaterally, Cambodia and Japan have enjoyed a strong and highly complementary economic relationship through bilateral and regional initiatives, especially through the ASEAN Plus mechanism, such as ASEAN-Japan Comprehensive Economic Partnership (AJCEP), and the new Regional Comprehensive Economic Partnership Agreement (RCEP). We believe that RCEP will provide a significant boost to trade and investment between Cambodia and Japan, and with the other 13 participating countries.

4.490. In terms of bilateral trade, according to Cambodia's General Department of Customs and Excise, bilateral merchandise trade between Cambodia and Japan totalled USD 1.948 billion in 2022, rising by 12.33% from a year earlier; but in the total trade Cambodia's exports accounted for a 60.22% share of the bilateral trade, although this is quite significant, it nonetheless represents a negative growth as export from Cambodia to Japan is actually down by 2.85% on a yearly basis, if compared to export in 2021. Regardless, Japan remains the fourth largest buyer of Cambodia's merchandise in 2022 accounting for 5.22% of the global total trade of USD 22.483 billion.

4.491. As for investments, in accordance with the national banks of Cambodia statistics, as of December 2021, Japan is the fifth biggest investor in Cambodia, accounted for about USD 2.4 billion after China, Republic of Korea, Singapore, and Viet Nam. Japanese investors in Cambodia, largely operated in industry; banking; hotels and tourism; construction and real state; and especially supermarkets and retail, restaurants, and services.

4.492. Let me take this occasion to acknowledge the critical role and contribution of Japan in the multilateral trading system that is open, transparent, inclusive, and non-discriminatory. We also recognize the effort of Japan in contributing to the ongoing discussions on the different issues at the WTO with the aim to reinforce the relevance of the multilateral trading system.

4.493. On ASEAN-Japan cooperation, Japan remains an important partner of ASEAN in all areas within the ASEAN-led cooperation mechanism. We also appreciate the preferential schemes provided by Japan to the LDC for both goods and services.

4.494. Finally, we commit to working closely with Japan especially with the delegation of Japan in Geneva to strengthen our good cooperation for economic prosperity and sustainable development, we wish Japan a successful 15th Trade Policy Review.

KYRGYZ REPUBLIC

4.495. Kyrgyz Republic warmly welcomes the delegation of Japan led by H.E. Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy, Ministry of Foreign Affairs.

4.496. We would like to thank the WTO Secretariat and the Government of Japan for preparing such comprehensive and detailed reports on the 15th Review of trade policies and practices of Japan. We would also like to thank the discussant, H.E. Mr João Aguiar Machado (European Union) for his insightful comments.

4.497. Since the beginning of its membership in WTO Japan has demonstrated the highest dedication to WTO rules and as seen in the Report has convincingly shown its commitment to trade liberalization under the multilateral trading system centred on the WTO continuously.

4.498. Japan is an active participant in all the initiatives within the WTO, including e-commerce, investment facilitation for development, MSMEs, and services domestic regulation. Japan also is a party to the WTO plurilateral agreements, such as Agreement on Government Procurement and Trade Facilitation Agreement.

4.499. Last year we celebrated the 30th anniversary of the establishment of diplomatic relations between the Kyrgyz Republic and Japan. During this time, we were able to establish friendly ties in political, economic, cultural, and humanitarian cooperation.

4.500. We would like to express our appreciation for all the support and assistance provided for the development of the Kyrgyz Republic and overall, the Central Asian countries.

4.501. For many years, several projects aimed at the sustainable development of rural areas have been implemented in the Kyrgyz Republic through the Japan International Cooperation Agency. One of the successful ones is "One Village-One Product".

4.502. Also, in the past 30 years, thousands of our specialists have been trained in JICA training centres, in various Japanese universities. Since 2007, government officials of the Kyrgyz Republic have passed educational programmes and improved their qualifications in Japanese universities. Today, the graduates of JICA programmes are already contributing to the development of our country through public service, occupying important positions in the country.

4.503. Meanwhile, we recognize that the level of bilateral trade does not correspond to the existing potential.

4.504. The trade turnover between the Kyrgyz Republic and Japan in January-November 2022 amounted to USD 17.23 million. In comparison, in the same period of 2021, the trade turnover amounted to USD 79.29 million.

4.505. The Kyrgyz Republic exports to Japan mainly are honey, oilseeds, parts and accessories for appliances and machines, finished textiles, and jet fuel.

4.506. The goods of imports from Japan are machinery, equipment for industry, gears and engines, rubber products (tires), products made of ferrous metals, spare part for vehicles, electrical machines and apparatus, medicines, etc.

4.507. The Kyrgyz Republic considers these numbers to be insufficient and our Government is interested in filling this gap. We should increase the number of business events which would lay forward the progress in economic relations.

4.508. Given the fact that Japan is one of the leading economies in the world, we would be interested in attracting advanced technologies and innovations from Japan for the development of the national economy. From our side, we could increase the export of agricultural products, and services (tourism: historical and recreational).

4.509. In order to foster trade relations between our countries, our countries need to frequently organize business bridging events to boost B2B links between our business circles in the format of investment fora and send special trade missions to each other to help traders meet with their potential partners.

4.510. For example, the Government of Japan in cooperation with the European Bank of Reconstruction and Development organized the Central Asian Investment Forum in Tokyo in December 2022.

4.511. The Kyrgyz Republic also plans to take part in the international exhibition "EXPO-2025", which will be held in 2025 in Osaka (Japan).

4.512. Taking this opportunity, the Kyrgyz Republic wishes a very successful 15th Trade Policy Review to the delegation of Japan.

EL SALVADOR

4.513. On behalf of the Government of El Salvador, I wish to join previous speakers in extending warm greetings to the distinguished delegation of Japan, headed by Mr Akihiro Okochi, Deputy Assistant Minister at the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs, the officials visiting us from the capital and their outstanding team in Geneva on the occasion of the 15th Trade Policy Review.

4.514. Allow us to thank both the Government of Japan and the WTO Secretariat for preparing and submitting the detailed reports for this review, which will surely be of great use and highlight the economic and trade developments in Japan during the review period, especially since the pandemic.

4.515. We also thank Ambassador João Aguiar Machado of the European Union for his important comments and reflections, which will contribute to enriching our discussions.

4.516. Relations between Japan and El Salvador have continued to strengthen over time, despite the geographical distance between the countries. Over the years, Japan has gained prominence as a destination for Salvadoran exports such as coffee and textiles. Japan's main exports to El Salvador are vehicles and vehicle parts.

4.517. Furthermore, Japan remains among the countries providing the most cooperation and Aid for Trade to El Salvador, most notably in the form of technical assistance and cooperation projects on port and airport infrastructure and the country's road network.

4.518. Japan maintains its position as one of the world's largest and most competitive economies, occupying third place.

4.519. Even in an unfavourable context and in the middle of various crises that affect all WTO Member States, Japan stands out for its high levels of growth and economic and social development, which enable it to have one of the world's highest standards of living.

4.520. Of particular note are the reforms implemented to address the demographic challenges facing Japan and aimed at increasing labour supply, productivity and wages.

4.521. Other, structural reforms are aimed at increasing Japan's productivity, notably by accelerating digitalization, expanding investment and increasing R&D expenditure.

4.522. Turning to the multilateral framework, El Salvador shares Japan's vision of continuing to support and strengthen the multilateral trading system and promoting a free, fair, predictable and stable environment for trade and investments.

4.523. Of particular note is Japan's active and constructive participation in the regular work, negotiating agenda, cutting-edge issues and reform of the Organization.

4.524. Japan continues to demonstrate leadership in advancing the Joint Statement Initiative on Electronic Commerce - to which El Salvador is a party - together with co-conveners Australia and Singapore.

4.525. Similarly, Japan has supported discussions of the Informal Working Group on Trade and Gender.

4.526. In conclusion, I wish the Japanese delegation every success in the country's 15th Trade Policy Review.

KENYA

4.527. I take this opportunity to warmly welcome the delegation of Japan led by Mr Akihiro Okochi, the Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs, to Geneva for the 15th Trade Policy Review.

4.528. I also wish to thank today's discussant H.E. Mr João Aguiar Machado of the European Union, for setting the scene for this Trade Policy Review. Allow me to further acknowledge the Secretariat's dedicated efforts towards preparing a comprehensive Report.

4.529. Kenya acknowledges Japan's active and constructive engagement at the WTO and recognizes that this Trade Policy Review comes at a time when the world is still recovering from the devastating effects of the COVID-19 pandemic. Kenya applauds Japan for its valiant efforts to counter the resultant downturn.

4.530. We note that the country's economy rebounded in 2021, with an estimated growth of 2.6% according to the IMF, on the back of strong exports and public consumption and investment. The IMF forecast a GDP increase of 3.2% in 2022, underpinned by the entry into force of the Regional Comprehensive Economic Partnership Trade Agreement.

4.531. In 2021, Japan's exports were valued at USD 757.5 billion, accounting for 3.5% of the world's exports during the year and positioning Japan as the fourth largest exporter in the year. The country was the second largest exporter of motor cars and other motor vehicles principally designed for the transport of persons, with exports being valued at USD 85.6 billion. Japan's export concentration was 0.1, indicating that Japan has diversified its export destination market.

4.532. On the other hand, Japan's imports in the year were valued at USD 772.7 billion, which made up 3.5% of the world imports in the year, ranking the country as the fourth largest global importer in 2021. Japan's chief import product in 2021 was petroleum oils and oils obtained from bituminous minerals (crude). The country imported approximately USD 63.1 billion worth of the product.

4.533. Bilaterally, Kenya enjoys long-standing cordial political and trade relations with Japan. In 2021, Kenya's exports reached an all-time high of USD 61.2 million, with an average annual increase of 11% between 2017 and 2020. There was a single drop in export performance over the last decade in 2020, recovering immediately in 2021. Kenya's principal export product to Japan in 2021 was titanium ores and concentrates, accounting for 29.6% of Kenya's exports to the country. Other key export products include coffee at 15.3%, waste and scrap of copper at 15.2%, and cut flowers at 14.3%. The top five export products constituted 88.1% of Kenya's total exports to Japan, indicating a moderately high concentration of the export basket.

4.534. Kenya's imports from Japan were valued at USD 892.3 million in 2021, an increase by USD 68.98 million, from USD 823.3 million in 2020. Kenya's chief import from Japan in 2021 was motor cars and other motor vehicles at USD 358.8 million.

4.535. Kenya commends Japan's front-line role in trade and development through initiatives such as Aid for Trade and Tokyo International Conference on African Development (TICAD). Notably, the Japan International Cooperation Agency (JICA) has had long-term impactful partnerships with Kenya's public and private sectors to provide capacity-building and technical assistance. The scope of the partnership has been diverse, covering economic infrastructure development; agriculture and rural development; human resource development; health support; water and sanitation; as well as environmental management.

4.536. Kenya looks forward to a more fruitful trade relationship with Japan and wishes the delegation a successful Trade Policy Review.

HONDURAS

4.537. On behalf of the State of Honduras, allow me to begin by extending a very warm welcome to the entire delegation of Japan, led by the head of delegation, H.E. Akihiro Okochi, Deputy Assistant Minister at the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs of Japan. We welcome our colleagues and friends from the Japanese Mission in Geneva and thank them for their report and opening statement.

4.538. We extend our thanks to you, Chair, for your leadership, to the Secretariat, for the quality of its report, and to the discussant, Ambassador João Aguiar Machado, for his valuable comments.

4.539. Japan is the world's third largest economy in GDP terms and is a trade-based and diversified economy.

4.540. Japan ranked sixth in the 2019 Global Competitiveness Report of the World Economic Forum, and its best results were achieved in digital infrastructure, health and physical infrastructure.

4.541. According to the OECD, Japan's financial sector withstood the pandemic shock relatively well; the share of non-performing loans in Japan's economy is relatively low, and the capital adequacy of the major financial institutions appears in line with other major economies.

4.542. We note with interest that, according to WIPO reports, in 2020, Japan had the shortest pendency times among major IP offices, and the fourth fastest in the world.

4.543. From the reports assessed, we note that the amended Anti-Monopoly Act introduced a new leniency system that allows the competent authority to reduce the amount of surcharges according to the degree of enterprises' cooperation during an investigation and abolishes the limitation on the number of enterprises that can benefit from the leniency programme in a case, which is why guidelines were adopted on the leniency system that are applicable to cases of cooperation during an investigation; these are issues that the relevant Honduran authorities are interested in exploring.

4.544. We note the efforts made by Japan to incorporate the 2050 Carbon Neutrality Declaration and the 2030 Greenhouse Gas Emission Reduction Target, and are paying close attention to the commitment to update the status of climate change and global warming issues and revise the government action plan.

4.545. At the same time, we are aware that Japan maintains a government procurement policy to promote environmental protection and that, during the review period, two revisions of the Basic Policy on Promoting Green Procurement and the implementation rules concerning the Green Procurement Act were notified.

4.546. Japan has been putting into practice a holistic approach in its own Aid for Trade efforts and has provided comprehensive assistance, including in the areas of productive capacity-building and trade policy and regulations.

4.547. Our Japanese partners have provided our country with support to address problems relating to poverty, public security and the root causes of migration, along with emergency materials for recovery following the COVID-19 pandemic and assistance for the construction of productive infrastructure, among other things.

4.548. The Government of Japan, through the Centre for International Cooperation and the "Juntos 2023" ("Together 2023") cultural exchange programme with Central America and the Caribbean, reaffirmed its commitment to reducing air pollution by making greater use of renewable energies and raising awareness of good practices in the production of renewable energy.

4.549. In the field of space, a microsatellite from the Central American Integration System, in which Honduras participates, is set to be released from the Japanese Experiment Module "Kibo" on the International Space Station.

4.550. Our bilateral trade balance with Japan is in deficit; in 2021, we imported around USD 211 million in vehicles, iron and mechanical appliances and exported USD 91 million in coffee, fish, and fruit.

4.551. This year, we are celebrating the 88th anniversary of the establishment of diplomatic relations, which have been strengthened over time and will hopefully continue to become stronger in different areas.

4.552. Our countries will continue their efforts to ensure the advancement of the WTO's multilateral trading system, which is based on the principles of openness, transparency, non-discrimination, and inclusion.

4.553. Lastly, Honduras is pleased to participate in this exercise in transparency and appreciates the opportunity to exchange views on and examine the trade policies and practices of Japan. We wish the country every success in the presentation of its Trade Policy Review.

KINGDOM OF BAHRAIN

4.554. The Kingdom of Bahrain is delighted to participate in the 15th Trade Policy Review of Japan, and would like to warmly welcome H.E. Mr Akihiro Okochi, Deputy Assistant Minister, Economic Affairs Bureau, and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs, as well as H.E. Ambassador Kazuyuki Yamazaki, Permanent Representative of Japan to the WTO and wish them and their delegation a very successful Review.

4.555. We would also like to thank the WTO Secretariat for their efforts in preparing the detailed report and the discussant H.E. Mr João Aguiar Machado, Ambassador and Permanent Representative of the European Union to the WTO his insightful remarks and active discussion.

4.556. Japan has always been an important partner of the Kingdom of Bahrain, sharing a strong economic relationship.

4.557. The value of our total non-oil bilateral trade with Japan continues to reach high levels, amounting to more than USD 669 million last year.

4.558. Japan is also a major destination for Bahraini aluminium, making up a large share of the USD 155 million exports to Japan last year, along with USD 511 million of Japanese imports to the Kingdom of Bahrain the same year, ranking eighth in our overall imports.

4.559. We are therefore encouraged by the findings of the Report, that Japan's economy is characterized by high development, diversification, and income levels as well as by strong market orientation.

4.560. In closing, we would like to thank the discussant for their remarks and active discussion and the WTO Secretariat for their efforts in preparing the detailed Report and we would like to wish Japan every success in its Trade Policy Review.

PAKISTAN

4.561. We wish to warmly welcome the Japanese delegation led by Mr Akihiro Okochi Deputy Assistant Minister, Economic Affairs Bureau, Ambassador in charge of Economic Diplomacy, Ministry of Foreign Affairs at this 15 Trade Policy Review of Japan.

4.562. We wish to convey our thanks to the discussant H.E. Mr João Aguiar Machado for providing insightful comments to lead the discussions at this TPR. Our thanks to the Secretariat for its work on this Review. Pakistan appreciates the opportunity to participate at this Trade Policy Review.

4.563. During the period under review, Japan's economy was not spared by the pandemic, but the Government took bold actions to get the economy back quickly to its pre-pandemic growth level.

4.564. Japan's consistent policies aiming for sustainable growth in the backdrop of various challenges is commendable. Japan is the third largest economy in the world and a highly developed

country, these speak volume of the commitment of the Government to pursue effective growth policy.

4.565. Japan is one of Pakistan's important trading partners in the region. While trade surpluses are in favour of Japan, the trade potential between the two countries remains underexploited. The current memorandum of understanding to deepen trade relations would need to further develop to take advantage of the trade opportunities. To also support and take advantage of the trade existing opportunities, Pakistan would very much welcome any trade facilitation such as rising the threshold to assess the import duties which currently stands at USD 90.

4.566. At the same time, we are also recipient of ODI from Japan. It might be fruitful and deepen Pakistan-Japan trade ties if more of this funding is used to develop Pakistan's export capacity and products to high end markets like Japan.

4.567. Japan is a strong supporter of the multilateral trade system and a very active Member at every level led by H.E. Ambassador Kazuyuki Yamazaki and his team at the Geneva Mission.

4.568. We wish to commend Japan's contribution to support developing countries' integration into the multilateral trading system. The various assistances and especially through aid for trade are highly appreciated. We wish Japan a successful Trade Policy Review.

GEORGIA

4.569. At the outset let me join the previous speakers in warmly welcoming the delegation of Japan in Geneva to this 15th Trade Policy Review headed by H.E. Ambassador Akihiro Okochi. We would like to thank both, the Government of Japan and the WTO Secretariat, for their comprehensive reports, we would also like to thank the discussant is H.E. Ambassador João Aguiar Machado for his very insightful remarks and observations.

4.570. Georgia acknowledges the important leadership role of Japan, as one of the largest economies, placed in the developing and further strengthening of a rules-based multilateral trading system. We applaud Japan for its unwavering support and commitment to the core values and principles underpinning the multilateral trading system and for its active and constructive engagement in ongoing multilateral and plurilateral negotiations under the auspices of the WTO.

4.571. In this respect, we would like to particularly underline Japan's active and constructive participation in the joint statement initiative on e-commerce, in the investment facilitation for development, the establishment of a WTO informal working groups for MSMEs and services domestic regulation.

4.572. Japan's economic performance was hardly hit by the global COVID-19 pandemic, resulting in economic slowdown, as well as subsequent supply chains disruption, culminating in a negative growth rate of nearly 5% in 2020. However, as the Secretariat's Report noted, Japan's post-pandemic economic recovery has resulted in a significant growth of both merchandise exports and imports and exceeded pre-pandemic levels. In 2021, the combined value of merchandise exports and import exceeded to equivalent of 30% of GDP for the first time since 2014.

4.573. We are delighted to stress that since the establishment of the diplomatic relations between Georgia and Japan in 1992, close cooperation in bilateral and multilateral formats have been dynamically developing in many important areas. With the support from the Government of Japan, multiple technical assistance programmes have been implemented under the aegis of the Japan International Cooperation Agency (JICA) developing the vital sectors of the Georgian economy. I would like to use this opportunity to extend our most sincere gratitude and appreciation for the Government of Japan for its continued support.

4.574. As a highly-developed economy and major global trader and investor, Japan represents an important economic and strategic partner for Georgia, despite the geographical distance, our two countries maintain close and mutually beneficial bilateral relations including the constructive trade and economic cooperation.

4.575. Trade indicators continue to demonstrate positive dynamic of our bilateral trade cooperation. In 2022, the volume of bilateral trade between Georgia and Japan has grown by 57% in comparison to 2021 as it constituted USD 322 million, for the last years we have been witnessing a positive trend in bilateral trade between our two nations and we look forward to its further strengthening and intensification.

4.576. Furthermore, Japan remains one of the major global sources of foreign investors. Cooperation between Georgia and Japan in the field of investments has been actively developing for the last years, resulting in a signing of bilateral agreements between the two countries for the liberalization, promotion, and protection of investments on 29 January 2021. We are confident that this agreement coupled with a favourable business-friendly climate will further stimulate the growth of Japanese direct investments in my country.

4.577. In conclusion, we would like to wish the delegation of Japan successful and productive Trade Policy Review.

PERU

4.578. Peru would like to warmly welcome H.E. Mr Akihiro Okochi, Deputy Assistant Minister at the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy at the Ministry of Foreign Affairs, together with his honourable delegation. Peru echoes the thanks expressed by other delegations for the Report on the macroeconomic performance and trade policy regime of Japan for its fifteenth Trade Policy Review. We also extend our thanks to the Secretariat for the Report distributed to Members and to Ambassador João Aguiar Machado of the European Union for his perceptive, detailed comments as discussant.

4.579. Our delegation welcomes the continuous growth and admirable inflation control of the Japanese economy, which is based primarily on the services sector and manufacturing. We also appreciate Japan's commitment to bringing about sustainable and inclusive growth and encourage it to continue its efforts to reduce greenhouse gases.

4.580. The friendly, cooperative relationship between Japan and Peru has deep historical ties thanks to the large-scale immigration of Japanese nationals to our country from the 19th century onwards, a flow second only to Japanese immigration to Brazil. Japan is one of the countries that has had the greatest impact on Peruvian society, affecting areas as varied as gastronomy, trade, agriculture, the economy, and art.

4.581. As regards bilateral trade relations, Japan is our second largest trading partner in Asia thanks to a modern and ambitious strategic economic partnership agreement, which has been in force since 1 March 2012. Although trade between our countries fell in 2020 because of the pandemic, it exceeded USD 3,890 million in 2021. The same year, Peruvian exports to Japan grew by 52% thanks to increased sales of minerals and some fuels, in particular shipments of zinc, tin, and lead. Our imports from Japan that year also increased by 39% owing to increased purchases of automotive goods such as tyres and vehicles. Japan is the fifth largest provider of vehicles to Peru, with a total market share of 10%. However, we believe that there are many other opportunities for mutual trade that we can continue to build on, particularly in the agricultural, textiles and fisheries sectors. For example, Peru can strengthen its position as a provider of coffee, bananas, and asparagus, and of products in other sectors, including cotton clothing.

4.582. We also hope to attract further Japanese investment in the manufacturing, mining services, high technology, and renewable energy sectors. An agreement recently entered into force that will allow the tax authorities of both countries to have an efficient mechanism to avoid international double taxation of income and thereby address international tax evasion and avoidance. This agreement became effective on 1 January 2022.

4.583. Moving now to the multilateral system, I do not want to miss the opportunity to commend Japan for its active role and work in this forum, especially in processes such as that concerning fisheries subsidies; we know that Japan, like Peru, is doing its best to ratify the Agreement and encourage it to continue with this effort.

4.584. I would also like to express my thanks for the particular support provided by the Government of Japan to developing and less developed countries in implementing this historic Agreement on Fisheries Subsidies through a significant donation of more than half a million dollars, the first such donation that the WTO has been able to procure.

4.585. Moreover, we understand that one of Japan's priorities within this Organization is to achieve a reform that will contribute to a long-lasting solution to the structural problems and functioning of the Dispute Settlement System. In this regard, while negotiations on re-establishing the Dispute Settlement System and safeguarding the integrity of the international trading system continue, Peru would like to encourage Japan to favourably assess and consider joining the Multi-Party Interim Appeal Arbitration Arrangement (MPIA), which proved, through its first case, to be a viable option that had preserved two levels of adjudication through an impartial review, while ensuring the binding nature of the Dispute Settlement System.

4.586. Lastly, we would like to express our sincere appreciation for the fact that this review has served as a framework for Japan to renew its commitment to the stability and solidity of the multilateral trading system. In this context, Peru would like to express its particular appreciation for the important role played in the work of this Organization by Ambassador Kazuyuki Yamazaki and his active collaborators to promote various ongoing initiatives that Peru supports, especially in the areas of electronic commerce and services domestic regulation.

4.587. We wish our dear Japanese friends a successful Trade Policy Review.

ZIMBABWE

4.588. I would like to welcome Ambassador João Aguiar Machado for accepting to act as discussant as well as the Secretariat for the preparations to have this successful Review. I would also like to welcome the Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy of Japan, Ambassador Akihiro Okochi and his delegation to their 15th Trade Policy Review.

4.589. This review is coming at a time when Japan, like most nations was affected negatively by the COVID-19 pandemic and the supply chain constraints that followed among others. This affected both consumption and business investment, which we have heard from the Honourable Ambassador and with the impact of the COVID-19 now waning, economic activities, we understand are set to be improving notably in the foreign trade arena.

4.590. Japan has remained one of the biggest players in the global trade with total value exports in 2021 amounting JPY 83.1 trillion, an increase of 21.5% from 2020. This has been due to the policies being implemented by the Japanese Government.

4.591. The long-standing support to the economic development of developing and least developed countries is well appreciated, as seen in various technical assistance programmes that Japan has extended.

4.592. Zimbabwe and Japan have cordial trade and economic relations that have seen more engagement more engagement through the Tokyo International Conference on African Development (TICAD). We appreciate the message by the Japanese Government at the eighth TICAD conference held in Tunisia, where Japan and Africa cemented their partnership. The initiatives as announced by Japan, will see more young entrepreneurs benefiting from the investment fund of more than JPY 10 billion which the Deputy Minister has just confirmed has been launched.

4.593. In terms of technical cooperation between Japan and Zimbabwe, we have found ourselves benefited through JICA on capacity building, especially as we implement the Trade Facilitation Agreement. As the land locked the country, JICA assisted our revenue authority ZIMRA in easing cross-border trading. We implemented the one-stop border post in Chirundu, a border we share with the Zambia, and through a grant, a new bridge was constructed across the Zambezi River to assist the movement of freight destined as far as Lubumbashi in the Democratic Republic of Congo. A 7km patch of the North-South corridor in a mountainous area was constructed through a grant by the Japanese Government which is further evidence of the productive relationship that Zimbabwe continues to enjoy with Japan.

4.594. In terms of direct exports and imports between our two countries, there is need to do more, especially support to our industrialization agenda and value chain initiatives. We export a number of commodities which ideally we should value add beneficiate within Zimbabwe itself, and we are actively seeking increased the Japanese investments to partner with us, as we travel that path of industrialization and modernization.

4.595. We applaud the policies that Japan is implementing especially in the support to aid for trade initiatives, as these contribute to enhancing the trade capacities of developing countries, Zimbabwe included.

4.596. For the work that is before us today, Zimbabwe will continue to support the positive developments in Japan and we look forward to a successful Trade Policy Review.

BANGLADESH

4.597. At the outset, the Bangladesh delegation welcomes H.E. Mr Akihiro Okochi, Head of delegation and Deputy Assistant Minister, Economic Affairs Bureau, Ambassador in charge of Economic Diplomacy, Ministry of Foreign Affairs and thank for his introductory presentation at the 15th Trade Policy Review. We also thank H.E. Mr João Aguiar Machado, Ambassador and Permanent Representative of the European Union for his insightful discussions. Our sincere appreciation goes to the Government of Japan and the WTO Secretariat for the comprehensive reports.

4.598. Japan has been committed to trade liberalization under the multilateral trading system centred on the WTO and engaged in non-discriminatory, open, and rules-based regime. Japanese trade policy priority is complemented by a goal of continuous expansion and deepening of trade relations through regional and bilateral approaches. It attaches high importance to reducing gaps in the level of development between nations, to promoting the further integration of developing and LDCs into the global economy, and to the need to make economic development more sustainable. Despite above, Japan's MFN applied tariff structure remains complex. Out of 272 tariff rates, there are 136 different *ad valorem*, 75 different specific, and others are alternate, compound, as well as some other types of duties. As a development friendly country, Bangladesh expects Japan will continue DFQF market access and other forms of development assistances to Bangladesh and LDCs for certain periods after graduation.

4.599. Bangladesh and Japan have historically been strong bonded nations and relationship between two is centuries old. Japan is one of the desired destinations of Bangladeshi students, researchers under Monogakabasu, JDS and other scholarship schemes. Both countries have been enjoying excellent bilateral trade and economic relations since establishment of diplomatic relationship in 1972, though bilateral trade is tilted towards Japan. As a leading export destination of Bangladeshi products in Asia and 11th globally, Japanese exports was USD 2.55 billion, while Bangladeshi exports was USD 1.5 billion in 2022. Major imported items from Japan are iron and steel, mineral fuels, oils, vehicles, and others, while Bangladeshi exported items include RMG, leather products, shrimps, etc.

4.600. Bangladesh offers investor friendly and congenial climate for foreign investors. Almost all of the sectors allowed foreign investment without capping. To promote FDI, Bangladesh signed Avoidance of Double Taxation Treaty with 36 countries including Japan. Bangladesh has taken initiative to establish 100 Economic Zones to create structured and balanced investment. JICA has been developing a Japanese Economic Zone targeting USD 1.5 billion. Bangladesh has also been implemented and implementing several mega-projects with Japanese support, which included Deep Seaport, Coal-fired Power Plant, Metro Rail project, and invites Japanese Government and investors to invest in human resource and other mega projects and Economic Zones.

4.601. To conclude, we wish the delegation of Japan a productive and successful TPR. Bangladesh delegation will continue to work closely with the Japanese delegations, led by H.E. Mr Kazuyuki Yamazaki, Ambassador and Permanent Representative to the WTO, to strengthen the multilateral trading system while we strive to enhance our bilateral trade.

ANGOLA

4.602. The delegation of Angola warmly congratulates Japan for this 15th Trade Policy Review based on a serious document, and active participation that highlights the challenges and opportunities of Japanese important presence in world trade and global economy. We have acknowledged with regret the profound negative impacts of the pandemic crisis in Japanese economy and society, but we mainly applaud the strong economic recovery from late 2021 onwards centred on the recovery of private consumption and business reinvestments.

4.603. It is clear from both reports of Japan and the Secretariat, the importance of global and multilateral trade in the impressive retrieval of Japanese economy. Corporate profits remain high, there is a significant improvement of labour market and employment, and most economic indicators are returning to the pre-pandemic levels and rates. Nonetheless, the Japanese economy faces new inflation pressures that became a global problem in the aftermath of the pandemic crisis and the effects of the dramatic extension of the war in Ukraine.

4.604. Japan is also a country facing the oceanic defiance of climate change and demographic transition. The Japanese economy suffers from labour market shortages due to the low birth rate and a rampant population ageing. It is especially important for countries as Angola to learn from the economic and social strategies in place merging the State, the Government, and public and private enterprises. Japan is firmly enhancing domestic market demands through a structural process labelled the virtuous cycle from income to spending, merged with increasing wages to generate wider private consumption as structural factor for economic development and social harmony.

4.605. Angola can only congratulate this paramount economic development strategy that is truly a paradigmatic lesson for those believing that economic growth can be sustained with poor wages and huge labour exploitation.

4.606. The delegation of Angola also ascertains Japan firm commitment to a multilateral trading system centred on the WTO, engaged in a non-discriminatory, open, fair and rules-based regime. We fully agree and support Japan efforts to achieve an expeditious reform of the WTO that will contribute to a long-lasting solution to the structural and functional problems of the dispute settlement system, including dysfunctions concerning the Appellate Body. It is urgent and imperative to find a novel and lasting solution for the arbitration key role of the WTO

4.607. Angola and Japan are important trade partners and JICA Agency has a great participation in our cooperation. In 2019, prior to the pandemic crisis, our exports to Japanese economy reached USD 6.86 billion, and the imports had a volume of JPY 3.99 billion. The COVID-19 pandemic crisis has eroded this bilateral trade exchanges in almost 62% in 2020, and a slow recovery reignited from mid-2021. Angola exports are mainly of crude oil, and our country imports from Japan cars, other vehicles and machinery parts. There is a huge space for progress, development, and diversification of bilateral trade relations. Angola would like to receive more Japanese investment, namely in key areas for the industrialization of our country in strategic sectors as mining and agroindustry. Japan has an exemplar cooperation with Angola and among several ongoing programs, our country needs to stress the importance of Japanese decades of efforts in helping demining our fields and roads after almost 40 years of devastating war. Recently, Japan made an important contribute for demining the region of Kavango in the province of Cuando Cubango. It is this mutual trust and helpful cooperation that will certainly build a novel future of increasing bilateral trade and investments between Japan and Angola.

NEPAL

4.608. My delegation warmly welcomes the Japanese delegation led by Mr Akihiro Okochi, Deputy Assistant Minister of the Economic Affairs Bureau and Ambassador in charge of Economic Diplomacy and commends him for the insightful highlights of the 15th Trade Policy Review of Japan. We thank H.E. Mr João Aguiar Machado (European Union) as discussant of the Review. My delegation thanks the Government of Japan and the WTO Secretariat for the valuable reports.

4.609. My delegation highly values Japan's continued commitment and active participation in the multilateral trading system. We also commend its openness to international trade and its integration into the global economy. We are pleased to take good note that inflation rates did not exceed 1%

during the period under review while real GDP growth rates remained moderate in most years and in 2021, the growth rate stood at 1.7%. Similarly, Japan's balance of payments featured a current account surplus during the period under review. As one of the developed economies, we praise the active and constructive roles of Japan for the strengthening of multilateral trading system in all the pillars of the WTO. The regular notifications made during the review period are commendable.

4.610. We always welcome the offers of the preferential tariff treatment to 131 developing economies and highly appreciate for the extension of this facility until 2031 after the review made in 2021. The announcement of its plan to achieve net zero greenhouse gas emissions by 2050 and a goal of reducing emissions by 2030 to 46% from its 2013 level are appreciable. Moreover, we commend the smart custom plan issued in 2020 with a view to promoting digitization of custom procedures and automation of custom inspection.

4.611. Nepal and Japan have been enjoying cordial relations ever since we established diplomatic relations in 1956. Japan has been contributing to the socio-economic development of Nepal since the beginning. As the best wisher of Nepal's peace, development and prosperity, Japan has been assisting in the form of grant, loan, and technical assistance. Major areas of cooperation include human resource development, health, infrastructures development, agriculture development, environment protection, and among others. Tanahun Hydropower project with the capacity of 140MW and Nagdhunga tunnel in the Prithvi Highway are major ongoing projects supported by Japan. Furthermore, the support of COVID-19 vaccine is highly appreciable.

4.612. We value the interests of Japanese investors choosing Nepal as their investment destination, around 278 companies are investing in Nepal in the areas of tourisms, services and manufacturing followed by agriculture, and among others.

4.613. Air Connectivity is important for tourism promotion as well as business activities. Now, Kathmandu and Tokyo are connected from the direct flights, Nepal airlines is providing this service which has contributed to reduce the cost and time significantly.

4.614. On merchandise trade front, Japan is an important trading partner of Nepal. Based on the primary data, Nepal has imported from Japan goods worth of NPR 6.2 billion in 2022 while it has exported to Japan goods amounted to NPR 1.3 billion in the same year.

4.615. Nepal is importing vehicles and spare parts, electronic goods, machinery and equipment, medical equipment from Japan while Nepal is exporting pashmina products, ready-made garments, woollen goods, carpets, handicrafts, felt products, tea and coffee, Nepali paper and paper products, among others.

4.616. The trade data of goods shows a significant trade gap in Nepal's bilateral trade with Japan. However, this can also be an opportunity for further collaboration and cooperation on reducing the gap by further exploring and exploiting trade, investment, and tourism potentials for mutual benefit.

4.617. A good number of Nepali nationals have chosen Japan as their destination for higher education, learning Japanese language and culture, business promotion, and skill development training. In this regard, the MoU to provide training for Nepali youths as industrial worker in Japan under Japan International Training Cooperation Organization (JITCO) on 3 December 2003 is a corner stone. We appreciate the Government of Japan for its offers of several scholarships for the government officials to pursue the higher-level education in the Japanese universities under JDS programme.

4.618. Finally, I take this opportunity to extend sincere thanks to the Government of Japan for its supports and expect the continued supports in the days to come. Nepal looks forward to strengthening its relations with Japan in the days ahead. My delegation wishes a successful Trade Policy Review of Japan.

PANAMA

4.619. I would first like to commend H.E. Mr Akihiro Okochi and the Japanese delegation accompanying him for their outstanding preparation for this 15th Trade Policy Review of Japan.

I would also like to welcome Ambassador João Aguiar Machado, acting as discussant for this review, and to thank the Secretariat for its report.

4.620. We would like to highlight that Panama and Japan share long-standing and strong bonds of friendship and cooperation at the bilateral, regional and multilateral levels. Japan has been one of Panama's main trading partners for a number of decades.

4.621. As testament to the vibrancy of this relationship, Panama and Japan, while geographically far apart, are located in the same Pacific basin, enabling them to strengthen their ties through shared interests, in particular maritime shipping. According to Panama Canal statistics, Japan is one of the top five users of this interoceanic waterway.

4.622. Japan is an important trading partner, and its companies have a significant presence in Panama. Panamanian exports to Japan are currently focused on copper concentrate, followed some way behind by edible offal of animals, foliage, mosses and plants, coffee, frozen fish, chocolate, and frozen beef.

4.623. In 2020, Japan exported USD 4,600 million to Panama. The main products that Japan exported to Panama were passenger and cargo vessels, large construction vehicles and cars. Over the last 25 years, Japan's exports to Panama have decreased at an annual rate of 1.75%, from USD 7,150 million in 1995 to USD 4,600 million in 2020.

4.624. According to the Secretariat's Report, during the review period, Japan continued to prioritize openness of international trade and its integration into the world economy and global value chains. We also note that its macroeconomic policies continued to be guided by a bold monetary policy based on quantitative and qualitative easing, a flexible fiscal policy and structural reforms. Real GDP growth rates remained moderate in most years; in 2021, the growth rate stood at 1.7%.

4.625. We note that, during the review period, Japan did not make any significant changes to the authorities responsible for all customs matters. However, in June 2020, the Smart Customs Plan 2020 was issued with a view to promoting the digitalization of customs procedures and the automation of customs inspection.

4.626. Panama wishes to take this opportunity to acknowledge Japan's commitment to the multilateral trading system, its efforts and leadership during the most recent Ministerial Conferences and its delegation's significant activity. As a WTO Member, Japan has worked to comply with the Organization's rules and promote the liberalization of trade and the elimination of trade barriers.

4.627. We acknowledge its active participation in the negotiations on the joint initiative on investment facilitation, services domestic regulation and the WTO Dispute Settlement System. It is also one of the co-convenors of the e-commerce initiative; all of these issues are of great importance to Panama.

4.628. Japan is also very active in the negotiations on fisheries subsidies. According to the Secretariat's Report, Japan's latest overall strategy on fisheries is defined by the revised Basic Plan for Fisheries, which was issued on 25 March 2022 and is aimed at achieving a set of self-sufficiency targets by 2032. We call on Japan to ensure that its domestic policies and proposals in the negotiations on fisheries subsidies are consistent with the mandate and generate consensus among Members.

4.629. We applaud Japan for its interest in forging closer economic ties and stepping up cooperation with emerging economies and reaffirm our interest in continuing to strengthen our strategic relationship with Japan.

4.630. We will be following the discussion during this review carefully, and I reiterate Panama's readiness to continue to strengthen ties of cooperation with Japan at the bilateral, regional, and multilateral levels with a view to promoting trade and investment. We wish Japan success in its 15th Trade Policy Review.

VIET NAM

4.631. Viet Nam would like to join other Members in warmly welcoming the distinguished delegation from Japan led by Mr Akihiro Okochi, Deputy Assistant Minister, Ambassador in charge of Economic Diplomacy of the Ministry of Foreign Affairs of Japan to their 15th Trade Policy Review. We would like to express our appreciation to the Government of the Japan and the WTO Secretariat for the preparation of comprehensive reports for this review. We also would like to thank the discussant H.E. Mr João Aguiar Machado, Permanent Representative of the European Union to the WTO for his insightful observations.

4.632. First of all, Viet Nam associates itself with the ASEAN Joint Statement delivered by Indonesia.

4.633. At the regional level, Viet Nam highly appreciates Japan's active and constructive participation in the global and regional mechanisms to tackle challenges to global trade. We would continue working with Japan to strengthen extensive cooperation at regional and international frameworks such as Viet Nam-Japan Economic Partnership Agreement (VJEPA), WTO, Asia-Pacific Economic Cooperation Forum (APEC), Eurasian Cooperation Forum (ASEM), East Asia Summit (EAS), ASEAN+3, ASEAN-Japan Comprehensive Economic Partnership (AJCEP), ASEAN Regional Forum (ARF), and Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) with a view to making positive and constructive contributions to the maintenance of stability, cooperation, and development in the region and the world.

4.634. Viet Nam also acknowledges Japan's constructive engagement in the multilateral trading system, including its active participation in several areas of work and negotiations at the WTO, such as COVID-19 response, fisheries subsidies, food security, aid for trade, MSMEs, etc.

4.635. At the bilateral level, the year 2023 would witness the 50th anniversary of diplomatic relations between Viet Nam and Japan. The bilateral relationship is said to have infinite potential as the two countries are approaching a period of great development. Therefore, the year 2023 would be a good opportunity for Viet Nam and Japan to develop further the comprehensive strategic partnership, reaching out to the region and the world as partners for mutual benefits.

4.636. Japan is among the leading trading partner of Viet Nam. In 2022, the total trade volume between Japan and Viet Nam reached USD 47.6 billion, up 10.9% compared to 2021. In terms of investment, Japan ranks third among 141 countries and territories investing in Viet Nam with 4,978 projects with total capital of more than USD 68.9 billion. These projects cover numerous sectors, including the manufacturing and processing industry, real estate business, wholesale and retail, repair of automobiles, motors and motorbikes, and construction.

4.637. Before closing our statement, our delegation would also like to commend the contribution of H.E. Ambassador Kazuyuki Yamazaki and his able team at the Mission in Geneva for their active engagement and contribution to the work of the WTO. Viet Nam looks forward to further enhancing the mutually beneficial economic relations with Japan in the bilateral, regional, and multilateral fora and we wish the Japanese delegation a successful outcome of this Trade Policy Review.

5 REPLIES BY THE REPRESENTATIVE OF JAPAN AND ADDITIONAL COMMENTS

Introduction

5.1. I highly appreciate the insightful remarks made by the discussant, Ambassador Aguiar Machado on Wednesday, as well as our Chair, Ambassador Molokomme for your excellent management of the long meeting on the first day and for the concluding remarks you will soon deliver at the end of this meeting.

5.2. I would also like to show our appreciation to all the Members who have made interventions, sometimes in perfect Japanese, and all those who have submitted the written questions. Let me also extend our great thanks to the Secretariat team for all the work they have put into Japan's 15th Trade Policy Review.

5.3. I sensed that there was enormous interest in the Japanese economy and its trade policies, and high expectations for Japan's contribution to the global economy. This time, as before, each Member's intervention has helped and will help us look at our own policies from different angles and improve them.

5.4. There were also concerns raised by some Members over Japan's policies. I so much appreciate those interventions as well. Hereafter, I would like to briefly respond to several comments or questions raised on Wednesday.

Economic Environment

5.5. Since 2013, under Abenomics, Japan's GDP has expanded to a historically high level both in nominal and real terms, and consumer prices rebounded as a result of this policy and are no longer in a deflationary situation. And now, under the New Capitalism policy, Japan is taking initiatives to further develop the achievements gained through Abenomics.

Population ageing and women empowerment

5.6. I appreciate some Members' interests in Japan's efforts in labour market policy. In response to its ageing population and declining workforce, Japan has been making efforts to create an environment where women can smoothly find work even after having their first children.

5.7. The labour force participation rate for women has increased significantly over the last decade. Women workers increased by about 3.4 million between 2012 and 2021. The employment rate of women in the child-rearing period (aged 25 to 44) has increased by more than 10% to 78.6% during the same period. In addition, the number of women executives in listed companies has also risen 5.8 times, which could contribute to narrowing the gender wage gap in Japan, because one of the main causes behind the gap seems to be the low ratio of women in management positions in the workforce.

5.8. I would also like to mention that the number of foreign workers in October 2022 reached a record high of 1.82 million. In 2022, Japan launched 218 policies to further improve the environment for accepting foreign nationals.

ILO Conventions

5.9. As for ILO Convention No. 111, Japan recognizes the importance of its ratification. Further examination of its consistency with domestic legislation is still required and we have held annual meetings to exchange opinions with the representatives of workers and employers on unratified ILO Conventions, including Convention No. 111.

5.10. We will further consult with those representatives and continue to make efforts.

Public Debt

5.11. A question on Japan's efforts to reduce public debt was raised by the discussant and some Members.

5.12. While Japan is facing substantial deficits mainly due to expenditures to support the economy in response to COVID-19 and increased prices, the Japanese government aims to achieve a primary surplus in FY2025. To achieve this goal, we believe it crucial to boost growth potential by advancing the New Capitalism Policy, to improve expenditure efficiency through well-targeted spending, and to further stabilize financial resources.

Trade and Investment Regimes

WTO

5.13. Japan's delegation was particularly pleased to hear Members' positive assessment about the role Japan plays in the WTO; including our open trade policy and practice during the pandemic, our efforts on WTO reform, e-commerce and other JSIs as well as financial contribution to Fisheries Subsidies Voluntary Fund. During such challenging times as today, maintaining and strengthening the multilateral trading system continue to be our foremost priority.

Dispute Settlement

5.14. Japan continues to actively work together with other Members for DS reform. As it is important to ensure a means for a definitive legal settlement of disputes for the rules-based multilateral trade system, it remains Japan's utmost priority to have a fully and well-functioning DS system pursuant to the mandate adopted at the MC12. We will, in the meantime, also continue to consider the possibility of utilizing alternative means including MPIA.

Regional Trade Agreement

5.15. I would also like to reiterate that Japan remains committed to ensuring that Japan's RTAs are WTO-consistent. Some Members commented on our trade agreement with the United States and its compliance with their obligations under GATT Article XXIV. Japan is coordinating with the US on the notification to the WTO and will proceed with the appropriate procedure at an appropriate time after the completion of coordination.

Foreign direct investment to Japan

5.16. I would like to respond to comments regarding FDIs to Japan. Some Members asked for further clarification about the recent amendment of Foreign Exchange and Foreign Trade Act (FEFTA). Amended Act requires foreign investors seeking a 1% share of listed companies with importance to national security, public safety, public order, and Japan's economy to submit prior notification and undergo a screening process.

5.17. While Japan recognizes that the unrestricted exercise of shareholders' rights is important for strengthening corporate governance, it also places great importance on preventing foreign shareholders' activities that could undermine the country's security.

5.18. I would like to stress that Japan has been exempting foreign investors from prior notification in cases not involving such risks. With that, I am confident that direct investment which is healthy for the Japanese economy will be promoted.

Economic security dimension

5.19. Many Members have called for detailed explanation on the Economic Security Promotion Act enacted in May 2022.

5.20. At the outset, I would like to stress that the Act is consistent with the WTO Agreement. Article 90 of the Act stipulates that "due attention shall be paid to consistency with treaties and other international agreements".

5.21. I would also like to reiterate that the Act is non-discriminatory. To give a clear example, foreign companies can apply for an approval for a plan to ensure stable supplies of specified critical products so long as they meet the requirements for that, and approved foreign companies are eligible for subsidies or other governmental supports in the same way as domestic companies.

Trade Policies

Tariffs

5.22. Some Members also pointed out that the structure of Japan's tariff regime is complex. I would like to stress that the total percentage of duty-free rates and *ad valorem* rates account for more than 90% of the total tariff lines. For some of the remaining products, non-*ad valorem* rates are set due to specific conditions of each item in the domestic industry. In addition, we consider that the tariff regime is sufficiently transparent, as all tariff rates are listed in the relevant laws.

5.23. If you have any questions or need further clarification, Japan will be ready to explain in detail at any time.

SPS

5.24. Regarding animal and plant health, as a Member of the WOH and IPPC, Japan decides import measures based on scientific risk assessments in accordance with the SPS Agreement and relevant international standards, and also determines whether trading partners' SPS measures are scientifically reasonable or not in the same way. When Japan conducts a risk assessment, Japan closely consults with a requesting Member based on sufficient information provided by the Member and examines its request according to the results of the risk assessment. We are confident that this procedure is consistent with the SPS Agreement and relevant international standards, and the information about the whole procedure will be made public to ensure transparency.

5.25. Japan will continue to provide necessary information to Members as promptly as possible in order to ensure transparency in accordance with the SPS agreement.

TBT

5.26. Several Members referred to Japan's measures regarding the TBT (Technical Barriers to Trade) Agreement, specifically its compliance with international standards.

5.27. In general, they are based on relevant international standards, to the maximum extent possible, in accordance with the TBT Agreement. Regarding Japanese Industrial Standards (JIS) and Japan Agricultural Standards (JAS), 97% and 77% of them are harmonized with relevant international standards.

ALPS Treated Water from Fukushima Daiichi Nuclear Power Station

5.28. There was a statement on the "release of the Fukushima effluent", but let us emphasize that the water to be discharged will have been sufficiently purified below the regulatory standard, and that will be then further diluted.

5.29. Japan has been carrying out this process under the IAEA's independent and rigorous review and will never allow the discharge in a manner that adversely affects human health and the marine environment.

Government Procurement Agreement (GPA)

5.30. Regarding the comments on the Government Procurement, Japan, as a Party to the Government Procurement Agreement (GPA), has made a wide range of efforts to increase opportunities for foreign suppliers to gain access to the Japanese market. Japan has voluntarily established non-discriminatory, fair and transparent procedures that exceed the level stipulated in the GPA.

5.31. Japan has also made efforts to promote the transparency of procurement processes in order to make them more user-friendly for foreign participants. The central government publishes an annual schedule of its procurement plans well in advance and holds seminars on its procurement for foreign entities and diplomatic corps stationed in Tokyo. In addition, for the convenience of foreign participants, the Japan External Trade Organization (JETRO) has established an English-language portal site on government procurement on its website.

Sectoral Policies

Agriculture

5.32. Japan takes note of many comments on Japan's agricultural policies.

5.33. To begin with, Japan has long been the world's second largest net importers of food, with imports of USD 74.8 billion and exports of USD 9.2 billion in 2021. Japan has certainly contributed to the well-being of food exporting economies.

5.34. Food security has been one of the biggest issues for Japanese agriculture, and become an even more urgent issue, as the COVID-19 pandemic and the heightened geopolitical tensions have raised concerns about supply chain disruptions and the soaring prices of agricultural products and inputs such as fertilizers. In order to address these globally shared problems of food insecurity as well as the environmental challenges, Japan will make its agriculture and food system more resilient and sustainable in a way that does not affect trade flows in agricultural goods.

5.35. Japan's measures on agricultural and forestry products are consistent with the WTO Agreements, including domestic support, tariffs system, and Tariff Rate Quota (TRQ) administration. As for TRQ administration, including state trading, Japan has been making the utmost efforts to keep the quota administration fair and transparent through WTO notifications and information sharing on the official websites of the relevant Ministries.

Climate change and sustainability

5.36. We appreciate Members' interests in how the Japanese government will achieve internationally committed targets of reducing greenhouse gas emissions by 46% in 2030 and of net zero by 2050.

5.37. Let me introduce some of the most recent initiatives taken by Japan. Late last year, Japan announced the "Basic Policy for the Realization of GX" and announced the specifics of the "Pro-Growth Carbon Pricing" concept, which was one of the key elements in the New Capitalism Policy.

5.38. One element in this concept is that Japan will support upfront investment by raising funds through GX Economic Transition Bonds. With the funds, the Japanese government and the private sector will work together to realize more than JPY 150 trillion of public and private investments in GX over the next 10 years, in order to simultaneously achieve international commitments such as carbon neutrality by 2050 and to strengthen industrial competitiveness and economic growth.

5.39. Japan also has released the timeline for the future introduction of carbon pricing. The emissions trading in Japan will phase in a trial operation in FY2023, and then start its full-scale operation from FY2026. In addition, the carbon surcharge, which is designed to be increased according to the amount of CO2 emissions per unit of fossil fuel, is scheduled to start in 2028.

Manufacturing

5.40. Some Members raised concerns about the WTO-consistency of Japan's industrial subsidy programs. I would like to stress that those programs are designed and operated in a non-discriminatory manner and thus are consistent with the WTO Agreement.

Conclusion

5.41. I hope that Japan's robust and unwavering commitment to this mechanism is loud and clear to all Members.

5.42. As I mentioned on Wednesday, the multilateral trading system is facing unprecedented challenges. Given the need to address those challenges, Japan will closely continue to cooperate with WTO Members on WTO reform including issues such as DS reform, securing a level playing field, and addressing non-market and unfair trade practices.

DISCUSSANT

5.43. First, I would like to thank the whole Japanese delegation for their hard work in replying to over 700 questions, which demonstrates Japan's commitment and respect to this important transparency exercise and peer review, which Japan itself advocated to create during the Uruguay Round.

5.44. I also wish to thank the Head of Japanese delegation, Ambassador Okochi, for providing very comprehensive overviews and replies both on Wednesday and today of the main recent developments in Japan's economic, social and trade policies.

5.45. Today, I would like to convey my impressions and make some observations on the key overarching messages I heard during this review from over 50 WTO Members that resonated the most with me. I will not go into the details of all the trade concerns flagged by Members, as I am sure that Japan has taken good note of those and addressed them just now.

5.46. First, I was impressed by the number of Members that stressed the key role that Japan plays as their main or key bilateral or regional trade and investment partner. Clearly, Japan is a key partner for Members across different continents and levels of development. Japan also rightfully received strong appreciation for its commitment to development and economic cooperation with developing countries and LDCs.

5.47. Several Members expressed hope for even closer partnerships and increased trade and investment flows. In this regard, we heard some encouragements to advance some of the trade reforms - e.g. in the agricultural sector, SPS measures, non-tariff barriers, some services sectors etc. - that would hopefully increase the dynamism of economic and trade ties between Japan and its partners even further.

5.48. Furthermore, we heard unequivocally that Japan remains a reliable and key partner also in this Organization. I think that this review demonstrated without any doubt that the multilateral trading system, with the WTO at its core, continues to be a central pillar of Japan's trade policy. Members sincerely appreciated Japan's unwavering support and commitment to the WTO and its active participation in each of the WTO's three functions and the ongoing WTO reform discussions.

5.49. In this vein, a number of Members encouraged to join the MPIA while the work on restoring a fully functioning dispute settlement system continues. Also, calls were made for Japan to join the fossil fuel subsidy reform. I think it is the time for Japan to step up its leadership role even further, especially as we now start the countdown towards developing meaningful outcomes for the 13th WTO Ministerial Conference in Abu Dhabi.

5.50. On the new challenges, emergencies and threats in the world, it is more important than ever to maintain and strengthen the rules-based cooperation, open and predictable global trading environment and promote resilient value chains. We all count on Japan to play its part commensurate to the size of its economy and share in world trade.

5.51. Members were cognisant that Japan is currently facing a multitude of simultaneous and complex challenges, both internationally and domestically. Members were very interested in learning about Japan's forward-looking policies that aim to resolve social issues as well as re-activate economic growth, through the promotion of digital and green transformations and investment in people, science and innovation. We can only encourage Japan to pursue with its various reforms aimed at increasing labour productivity and human capital, environmental sustainability and fight against the climate change, innovation, digitalization, while preserving openness and fairness in international trade.

5.52. Furthermore, as Japan is increasingly focusing on national and economic security in its economic and trade policies, Members will no doubt continue to observe closely the careful balance between strengthening of economic security and ensuring fair treatment. We have taken good note of Japan's stated commitment to ensure transparency and a level playing field to foster an enabling business environment, and to support the integrity and sustainability of the rules-based multilateral trading system.

5.53. Finally, I am confident that Japan will take back home for further reflection the areas of its trade policies where Members expressed concerns and encouraged further improvements.

5.54. I wish to congratulate Japan for this very successful Review and also thank once again the delegation of Japan for the honour of acting as the discussant to the Trade Policy Review of one of the most prominent WTO Members and world economies.

JORDAN

5.55. We would like to join other delegations in welcoming H.E. Mr Akihiro Okochi, Deputy Assistant Minister, Ambassador in charge of Economic Diplomacy at Ministry of Foreign Affairs and H.E. Mr Kazuyuki Yamazaki and the entire Japanese delegation, and to congratulate them for the efforts exerted in preparing Japan's 15th Trade Policy Review and Report.

5.56. Our appreciation is also extended to the discussant H.E. Mr João Aguiar Machado for his insightful and excellent remarks, and the secretariat for the informative Report, which provides a comprehensive picture of the main developments in the Japanese trade regime for the period under review.

5.57. We commend Japan's commitment towards its WTO obligations, keep taking a key role in WTO initiatives, and providing supports to strengthen the multilateral trading system, assists in its implementation, and encouraging sustainable developments.

5.58. The report shows the positive developments in the Japanese economy and the continued structural reforms to green and digital economy, in spite of the different challenges that is due to pandemic and recent global economic crises, the economic and trade policy developments aim at integrating its economy into the global market, mainly under the multilateral trading system.

5.59. The bilateral trade between Jordan and Japan amounted in 2022 around USD 437 million and we are always keen to expand our good trade and economic relations with Japan and to explore further areas of mutual interest; on bilateral and multilateral levels.

5.60. Japan enjoys a very positive and involving international presents which covers positive effect beyond trade.

5.61. Finally, allow me to thank Japan for this very successful Trade Policy Review.

UNITED STATES

5.62. We want to thank the delegation of Japan for their active engagement in this review. We also want to take this opportunity to acknowledge the hard work and effort of the delegation from Tokyo and also reiterate our appreciation for the close collaboration and friendship we enjoy with Ambassador Yamazaki and the Japanese Mission here in Geneva.

5.63. Like many others who spoke on day one, I have a strong personal connection to Japan, having lived in rural Ibaraki prefecture for two years. It is a pleasure to continue to strengthen U.S.-Japan relations as well as partnering to improve the multilateral trading system.

5.64. As part of the review, the U.S. acknowledged some significant trade barriers U.S. exporters face in the Japanese market and we appreciate your engagement on and responses to these concerns. We have submitted some additional follow-up written questions as part of this review.

5.65. You will see that we have asked for additional information on Japan's internal coordination mechanisms between various ministries. We see great potential for increasing WTO Committee work on Members' efforts to create and maintain domestic coordination systems as these mechanisms are essential for meeting WTO transparency obligations and promoting inclusive trade policies. We invite Japan to consider sharing its own experiences with interagency coordination as part of our ongoing reform efforts.

5.66. On WTO reform, we welcome Japan's continued engagement in our collective efforts to bring about needed changes at the WTO to ensure we are focused on addressing relevant and real world challenges facing the global economy.

5.67. The United States shares Japan's goal of reforming the Dispute Settlement System. There is considerable work ahead of us if we are to reach consensus on the establishment of a well-functioning dispute resolution system. We share your interest in examining and supporting alternative means of resolving trade concerns between Members. We note that many Members encouraged Japan to join the multi-party interim appeal arrangement. Given that Japan has chosen not to participate in that initiative, we take that as Japan having some structural concerns with the approach. We welcome Japan's further engagement to ensure that all interests are reflected in the WTO Dispute Settlement System.

5.68. In conclusion, we want to acknowledge the valuable contributions Japan has made, and continues to make to strengthen and support the global trading system.

5.69. Thank you for your partnership and friendship and congratulations on your 15th Trade Policy Review.

CHINA

5.70. Just as discussant, Ambassador Aguiar Machado mentioned at the first day of the meeting, one of the main changes in Japan's economic and trade policies in this review period is the greater emphasis placed by the Government of Japan on national and economic security issues. Like Ambassador Aguiar Machado, China also expressed its concern in both its statement and written questions and would like to hear Japan's view in this regard.

5.71. We thank Japan for its initial responses to our written questions. However, our concerns have not been fully addressed. We noticed that for some sensitive issues, Japan provided information but avoided the true focus. For instance, Japan explained the policy objectives of its export control regime and made it clear it is not targeting specific country. China would like to point out that the goal of the policy does not necessarily justify the content, structure and impact of policies and related practices. Measures based on legitimate policy objective may also deviate from its original goal in the implementation. Especially when there is improper "coordination" with so-called "like-minded" allies, it is very likely to constitute a *de facto* discriminatory measure.

5.72. The Chinese side wishes to reiterate that overstretching the concept of national security and abusing export control measures, are not in line with the basic principles of the WTO. It will only undermine the stability of the global industrial and supply chain, increase the cost of international trade, and weaken the country's economic competitiveness.

5.73. During the first day's meeting, many Members affirmed the overall openness of Japan's economic and trade regime, as well as its active role and contribution to the multilateral trading system. China agrees with those observations, and believes that this is an important reason why Japan's economy has made great achievements. Japan's once popular product in the world – Sony Walkman was mentioned. It is fair to say that Walkman and the glory of Japanese electronic products is a symbol of Japan's successful integration into the global value chain.

5.74. We hope that in any closely integrated industrial chain that has been formed, Japan will not seek separation or decoupling, which will cause Japanese companies to lose their huge market and the driving force for future innovation, and thus ultimately damage Japan's own interests.

5.75. Japan also mentioned that the WTO is currently facing unprecedented challenges. In China's view, one of the most important reasons is that in the face of a world full of changes and uncertainties, sliding towards unilateralism and protectionism has become an easy option. In this regard, certain member set a bad example. China hopes and believes that Japan, as a victim of unilateralism and protectionism once upon a time, has a clear understanding of this.

5.76. China hopes that Japan will continue to maintain a free, open and inclusive policy, strengthen cooperation with Members including China and uphold true multilateralism. China looks forward to Japan's constructive role in WTO reform negotiation and preparation to a successful MC13. China

believes that this will contribute to Japan's own further development as well as the global economic recovery.

BRAZIL

5.77. We would like to congratulate Japan its Trade Policy Review, for the hard work with more than 700 questions, it was a very productive and useful exercise. As we said on the first day, our capital is reviewing the answers that Japan has provided to our questions, and we will promptly submit any follow-up questions that Brazil might have.

5.78. We look forward to continuing our constructive engagement and collaboration between our delegations here in Geneva, in particular in the areas we highlighted in our first intervention such as WTO reform, MPIA, SPS measures, market access, and reforming on agriculture.

EUROPEAN UNION

5.79. Let me first thank Japan for the comprehensive overview presented last Wednesday and this morning of the main developments occurred in its trade and economic policy during the review period.

5.80. The EU is pleased to note that this review has been useful for better understanding the trade policy of Japan and hopes that it will duly take into account some of the challenges highlighted by Members.

5.81. We would also like to thank Japan for having provided timely replies to the questions raised by the EU. On a limited number of issues, we had submitted follow-up questions.

5.82. These relate to the results and progress in the Plan for Global Warming Countermeasures; certification by foreign registered conformity assessment bodies; effectiveness of voluntary measures to block IP-infringing websites and discrimination of foreign companies in accessing to financing for developing facilities under the Specific Port Facility development Project Basic Plan.

5.83. The discussion on the first day of the review has shown that many Members share the EU's positive views about the constructive role that Japan plays within the WTO and promoting rules-based in international trade.

5.84. We look forward to continuing our bilateral cooperation with Japan in the framework of EU-Japan EPA including to take forward our bilateral discussions on data flows and also to resolve some of concerns such as regarding SPS.

5.85. We are also looking forward to our continued cooperation in all the relevant multilateral for a including restoring the WTO fully functioning Dispute Settlement System, and the reinvigoration of the deliberative function.

5.86. On behalf of the EU, I congratulate Japan for concluding this productive and successful Review.

RUSSIAN FEDERATION

5.87. At the Trade Policy Review of the United States in December 2022 my delegation stated that the decision of the U.S. delegation not to answer a large batch of duly submitted written questions set a dangerous precedent. We warned that if we would allow one Member to violate its WTO obligations with impunity, others would inevitably follow in its wake. Unfortunately, we were right. Now Japan has unilaterally decided that delivering on its transparency commitments is somehow optional. This is not the case. Annex 3 of the Marrakesh Agreement, establishing the TPRM, and the Rules of Procedure of this Body do not provide any excuses to leave advance written questions unanswered. In fact, p.22 of the Rules of Procedure clearly states that all questions, received before the deadline, should be answered before the start of the TPR meeting.

5.88. In his opening remarks on Wednesday, the Head of the Japanese delegation declared that "Japan commits to working to ensure transparency" and "to support the integrity and sustainability of a rules-based multilateral trading system". We heard the same slogans in today's intervention by

the distinguished Head of the Japanese delegation, and they were also underlined by the distinguished discussant, Ambassador of the European Union H.E. Mr Aguiar Machado. In fact, contrarily to those assurances Tokyo, by not engaging in the questions and answers exchange within its TPR, deliberately violates its transparency obligations and knowingly breaks the rules of the multilateral trading system. We took note that in his today's intervention the distinguished Head of the delegation of Japan did not react on this thorny issue. We understand it as the Japanese delegation has no arguments and has nothing to say in its defence.

5.89. To conclude, I would like to reiterate once again that mixing politics with trade and economics is extremely dangerous for all Members and the multilateral trading system. We hope that Japan honours its WTO commitments and returns to constructive cooperation.

6 CONCLUDING REMARKS BY THE CHAIRPERSON

6.1. The 15th Trade Policy Review of Japan has provided us with a good opportunity to assess and enhance our understanding on the wide range of trade policies and practices of Japan since its last Review in 2020 and acknowledge the challenges it faces.

6.2. The review has benefited from the constructive and informative participation of Japan's delegation, headed by Mr Akihiro Okochi, Deputy Assistant Minister, Economic Affairs Bureau, Ambassador in charge of Economic Diplomacy, Ministry of Foreign Affairs; from the insightful comments of the discussant, H.E. Ambassador João Aguiar Machado, Permanent Representative of the European Union to the WTO; and from the 56 delegations that took the floor during this meeting. I would like to thank them all for their contribution to this exercise.

6.3. Members stressed the importance of Japan to world trade and economic prosperity, praising its recovery from the COVID-19 pandemic despite the disruption of global supply chains, challenges posed by the war in Ukraine, and the adverse impact of climate change in the form of more frequent and intensified natural disasters.

6.4. Many Members stated that Japan was one of their top trading and investment partners, and often their main export/import market. With national security in economic and trade policies gathering more relevance and momentum, Members were concerned with some measures envisaged under Japan's Economic Security Promotion Act which is considered a centrepiece of the Japanese economic policy. Japan has been encouraged to clarify the process and criteria by which it determines what is a "key product", "essential infrastructure services", and "advanced critical technology" and which types of enterprises are eligible for the subsidies mentioned in the Act.

6.5. Members appreciated that Japan's FDI framework continues to be liberal, with only few sectoral restrictions. However, they have raised concerns about the screening requirements for FDI, measures to attract FDI and FDI restrictions in some sectors. Some Members were concerned about the sustainability of Japanese fiscal policy given its increasing ratio of public debt to GDP and the impact of Japan's declining and ageing population.

6.6. Members commended Japan for its active participation in upholding the multilateral trading system including its contribution to the MC12 outcomes, its participation in WTO reform, as well as its constructive contribution to JSIs discussions on e-commerce, investment facilitation for development, the establishment of a WTO informal working group for the MSMEs, and services domestic regulation. Japan was applauded for being the first donor to the WTO Fisheries Funding mechanism, aimed to help developing and least-developed countries implement the Agreement on Fisheries Subsidies. They also appreciated Japan's continued development and trade related technical assistance in various fields, including the implementation of the Trade Facilitation Agreement; and the extension of the GSP scheme to 31 March 2031. Some Members invited Japan to join the Multi-Party Interim Appeal Arbitration Arrangement (MPIA).

6.7. Some Members commended Japan for its bilateral economic cooperations via Japan's Economic Partnership Agreements, and its active engagement in regional frameworks such as the Asia-Pacific Economic Cooperation (APEC), and the Indo-Pacific Economic Framework (IPEF). Some other Members requested more details on the role of the IPEF and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), GSP utilization and eligibility, a bilateral agreement with the United States, and Japan's plans for future RTAs.

6.8. Regarding trade policy, while lauding the high degree of predictability in Japan's tariff regime, some Members were concerned about the complexity of the Japanese tariff regime and the plans to simplify the tariff; the provision of missing *ad valorem* equivalents; regulations for customs brokers; export control regulations; export restrictions related to semi-conductors; export support measures; SPS measures deviating from international standards; government procurement procedures; and numerous intellectual property right matters. Japan was encouraged to reduce the complexity and peaks of its customs tariff especially in agriculture. Although Japan was also commended for its trade facilitation efforts, including the digitalization and automation of customs procedures amid the economic turmoil, it was encouraged to further increase transparency, reduce unnecessary regulation, and remove other barriers to trade.

6.9. In term of sectoral trade policies, some Members hailed Japan for its decarbonization policy (net-zero greenhouse gas by 2050), the place dedicated to MSMEs, and the strong export and import recovery. Other Members requested additional information on: domestic support for agriculture in general; conditions and criteria for direct payments; methods of tariff quota allocation and fill rates; agricultural self-sufficiency targets; plans and incentives to promote renewable energies and decarbonize the economy; support for "critical products and materials", specifically for producers of chips and semi-conductors; foreign participation in financial services; the role of the Digital Agency; and rules for data storage and transfer.

6.10. In total, Japan has received 787 advance written questions from 34 delegations for this Review, out of which 700 were sent within the established deadline, covering a broad range of topics. In addition, 6 more additional and 105 follow-up questions were submitted after the first day. Prior to this meeting, Japan already provided written replies to most questions.

6.11. Japan's delegation has clearly demonstrated that it places a high value on the Trade Policy Review Mechanism and the multilateral trading system with its active engagement over the two-day meeting and its ability to respond to a very high number of advance written questions. This reflects the importance of Japan in the multilateral trading system and the interest of Members in engaging with Japan on its trade and related policies.

6.12. The above points are some of the key issues that emerged in our discussion over the past days. I hope that Japan's delegation will consider and further reflect on these issues and on the many constructive comments that it received during the Review. Members look forward to receiving answers to any outstanding and follow-up questions within the customary one month, at which time this Review will conclude.
