

STATEMENT BY JAPAN

MADE 15 JUNE 2004

**AT THE UNITED NATIONS CONFERENCE
ON TRADE AND DEVELOPMENT**

Eleventh Session

**São Paulo, Brazil
13-18 June 2004**

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**STATEMENT BY HIS EXCELLENCY
AMBASSADOR RYUICHIRO YAMAZAKI,
HEAD OF THE JAPANESE DELEGATION**

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Address by H.E. Ambassador Ryuichiro Yamazaki, Japan's Chief Delegate
at the Eleventh Session of UNCTAD

Mr. President,
Excellencies,
Secretary-General Kofi Annan,
Secretary-General Rubens Ricupero,
All representatives of international organizations,
Distinguished guests,

I would like to begin by expressing my sincerest respect and appreciation to the Government and the people of Brazil for their preparation for holding the UNCTAD XI.

In relation to Japan, Brazil is situated exactly on the other side of the world with a 12 hours time difference. Despite this geographical distance, both countries have traditionally maintained a very solid friendship. The driving force for this relationship lies in the community of some 1.4 million Japanese-Brazilians. It is the largest Japanese community abroad. Here in Sao Paulo, and in other centers of the country, numerous Japanese enterprises are active in their respective business sectors. I am confident that Japan's participation in UNCTAD XI will provide a further opportunity for expanding our unique relationship.

Mr. President,

The development issue is one of the biggest issues confronting international society today. The self-help efforts by the developing countries and the support from the international community are essential to attaining the Millennium Development Goals. Japan has been making use of all its policy tools, including

in the areas of official development assistance, private funds and trade, to address the development issue. And we emphasize two aspects, namely the promotion of autonomy and sustainability, in our continued support for efforts that developing nations are making with respect to development.

With regard to promoting autonomy, we believe that human development is fundamental to nation building. Based on this principle, we place the concept of "human security" as one of the basic pillars of our ODA policy and are taking policy measures with an emphasis on protecting the well-being of individuals and strengthening their capabilities. Specifically, we offer aid to projects run by international organizations for poverty, refugees and infectious diseases through the Trust Fund for Human Security, which Japan established in the United Nations in 1999.

We are convinced that assistance based on the idea of human security will encourage the development of individuals and nations alike, and that our contribution to reducing poverty will enhance regional stability and will ultimately deter terrorism and lead to world peace.

Mr. President,

Next, let me refer to strengthening sustainability, which is the other focus in our stance for dealing with development issues. Japan believes that the environmental consideration is an important part of this focus.

Since the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992, international frameworks dealing with various environmental issues have been established, based on the concept of sustainable development, which aims at achieving both economic development and environmental conservation. In this context, we are very proud of the fact that the Kyoto Protocol, which is named after our old capital, is regarded as the first key step for bolstering international efforts to address the global warming issues. Japan urges the countries that have not yet ratified the Protocol to do so as soon

as possible.

Mr. President,

Now, let me move on to talk about four key initiatives designed to enable developing countries to anticipate in the multilateral trading system, which is critical for the promotion of trade and investment, which in turn serve as the engines of development.

First, Japan is aware that trade liberalization is beneficial to development and to the reduction of poverty in developing countries, but it places a huge burden on these countries if liberalization does not take into account their circumstances. We intend to continue to hold constructive and realistic deliberations on S&D treatment.

Second, with respect to capacity building related to WTO agreements, at the UNCTAD X and at the World Summit on Sustainable Development held two years ago, Japan announced a program to train 4,500 personnel over five years. We have been steadily carrying this out. And we hereby announce that we will contribute an extra 800,000 US dollars to the Doha Development Agenda Global Trust Fund.

Third, it is important to realize improvements in market access which encourage developing nations to increase their trade. Japan is the world's leading net importer of food and in April last year we made a substantial expansion of duty-free and quota-free treatment for products from the LDCs. After introduction of this measure, imports of these goods have increased by 25 percent last year compared to the previous year.

And fourth, there is a common perception today that developing nations cannot enjoy any substantial benefit from improved market access without the removal of supply side restraints. In this respect, Japan is undertaking a number of projects to improve trade infrastructure such as ports and trunk roads. In addition, we are offering technical assistance in marketing and the promotion of small and

midsize enterprises. In fact, we carried out more than 1,000 projects during last year, including those related to WTO agreements.

In this connection, there are examples of significant economic growth attained in countries in Asia based on dynamics of trade and investment. We are promoting south-south cooperation to share the successful Asian experience in a global context. This year in particular, we are aiming to strengthen Asia-Africa cooperation in trade and investment within the TICAD process. In autumn, we will be holding the TICAD Asia-Africa Trade and Investment Conference in Tokyo. In this way, we will strongly call on these countries to take self-help steps for attracting investment.

Also, in connection with investment we have proposed the "Japan initiative to facilitate investment." Aimed at boosting investment, we propose the holding of a seminar on investment in Tokyo early next year with the participation of APEC economies and in cooperation with UNCTAD and other international institutions. It will provide an excellent opportunity to exchange views and share experiences on the needs concerning the investment environment expressed by the business sector and on the merits of bilateral investment rules that have been rapidly introduced in recent years. We hope that many of you can take part in this.

Mr. President,

Now I would like to emphasize the importance of transparent and stable trade rules for enabling developing countries to benefit from the global economy. In this sense, we believe that this session is extremely significant as a constructive opportunity to create the trust needed to make progress in the negotiations at the current WTO Doha round, where development is the central agenda.

The WTO round is now gaining momentum towards a framework agreement at the end of July, but the time left is steadily diminishing. We have a joint responsibility to reach an agreement. Failure to do so would have a tremendous

negative impact on the multilateral trading system. To achieve an ambitious agreement, we call on all nations to share a sense of urgency and to make utmost efforts to shape a consensus.

I would like to conclude by sharing my conviction with you that the resulting document to be adopted at this session will, through trade and investment, realize substantial progress for dealing with the issue of development over the next four years.

Thank you very much for your attention.