

**Recommendations
of the
EU-Japan Business Dialogue Round Table
to the Leaders of the EU and Japan**

Berlin, 3 - 4 June 2007

**Working Party 4
Joint Statement on World Trade Organisation**

1. EJDRT is a strong supporter of the WTO Doha Development Agenda (DDA) negotiations and continues to urge the European Commission and the Government of Japan to exert their utmost efforts in concluding ambitious negotiations by the end of this year. In particular, the EU and Japan need to focus their efforts among major players to make the case for a successful and ambitious conclusion of the round.
2. EJDRT hopes that the political momentum from world leaders will enhance current movement and concrete progress in the WTO negotiations in Geneva. It warns political leaders that business support for the Doha Round depends on achieving rapid agreement on negotiating modalities in order to conclude the round by the end of this year before negotiating fatigue sets in.
3. EJDRT member companies are leading global traders and investors. Although, the world economy has been expanding with the advancement of free trade and the revolution of information and transportation technologies, we are concerned that protectionist sentiment is once again on the rise. In order to obtain the sustainable and powerful growth of the world economy in the 21st century, EJDRT believes that it is essential to strengthen the WTO multilateral trading system and that the DDA is the right vehicle to take this agenda forward.
4. EJDRT strongly believes that ambitious liberalization proposals need to be agreed on the reduction or elimination of industrial trade barriers, including non-tariff barriers, improving agricultural market access and reducing trade distorting subsidies, vastly improving services liberalization and agreeing to much better harmonized WTO rules on trade facilitation, anti-dumping and anti-subsidy. Priority negotiating issues for the EJDRT are as follows:

- (1) First, EJDRT stresses the importance on removing tariff and non-tariff barriers against industrial products in both industrialized and leading emerging countries. Notably, EJDRT expects the Swiss formula without a priori exclusions to deliver ambitious across the board tariff reductions by adopting industrial and emerging country coefficients in sight of each other, and a coefficient of 15 for developing countries. On top of the formula, EJDRT calls for willing sectors to adopt sectoral tariff agreements, for instance in chemicals and in electronics. On NTBs, EJDRT calls for new rules to forcefully tackle for export taxes and restrictions, and for further work on the creation of a new NTB mediation mechanism.
- (2) Second, EJDRT expects the services negotiations to deliver ambitious new market access equivalent to other DDA issues. It calls on the European Commission and the Government of Japan to press for a services ministerial signaling conference at the time of agreement on agricultural and industrial modalities and for submission of the next revised offers as quickly as possible.
- (3) Third, EJDRT calls for an ambitious and binding Trade Facilitation Agreement. It calls on respective governments to press the US and emerging country governments to go for a far-reaching deal that will bring concrete benefits for business. Furthermore, it emphasizes the need to improving and harmonizing the disciplines of the trade remedy measures.
5. For a successful DDA negotiation, commitment and cooperation of developing countries are indispensable. We expect that the European Commission and the Government of Japan send a strong message that the multilateral trade system will indeed contribute significantly to the interests of developing countries and take due consideration of these countries through, for example, capacity building activities. Japan should also exercise stronger leadership in Asia to build support for more ambition from leading Asian countries in China or ASEAN.
6. The conclusion of DDA negotiation requires strong political will by the leaders of major countries and strong support from business. The EJDRT offers the support of its members and earnestly requests the European Commission and the Government of Japan to take a strong political initiative in realizing the resumption of DDA negotiation and intensify efforts in reaching the successful round of negotiations.