

Trade Policy Review of Japan

Statement by Pakistan

31 January 2007

Madam Chair, Let me also convey my warm welcome to H.E. Ambassador Jun YOKOTA, leading Japanese delegation for this trade policy review. One is really impressed by the excellence in economic performance and a simultaneous delivery of social services, as indicated by the head of delegation. I would like to welcome his presentation in this regard.

Allow me, Madam Chair, to thank the Secretariat for their qualitative and timely compilation of the documents for this peer review. I also would like to recognize and appreciate the research-efforts of Ambassador Guillermo Valles Galmés, who portrayed a vivid and vibrant picture of the Japanese economy, as a discussant.

Madam Chair,

Pakistan and Japan have always enjoyed cordial relations leading to enhanced bilateral cooperation. Japan today is the largest single donor of Pakistan, in development assistance and technical cooperation. It also provides us a large number of training slots for capacity building of human resource. JICA, JBIC and JETRO are very well respected acronyms in my country. On humanitarian aspect, let me confess that it was the Japanese rescue team that was first to reach the devastated communities of Pakistan and Kashmir during the terrible earthquake of 2005.

Japan is one of the top investors in Pakistan. Automobiles and power generation plants are the major areas for Japanese investment. Pakistan's trade volume with Japan is not up to the mark as it is at present hovering at \$2 billion, out which the import from Japan stands at \$1.8 billion. Our primary imports from Japan include auto vehicles, machinery and parts thereof. Our major exports to Japan, however, are cotton yarn, cotton fabrics, some petroleum products, leather and fish.

Madam Chair,

Though Japan claims that their trade and economic policies remained rather unchanged since their last TPR in 2005, yet recently one sees a flurry of bilateral FTAs and Economic Partnership Agreements as against their firm belief in multilateralism in the past. In agriculture, it is good news that Japan is planning to move further from price support towards income support. However, the overall level of import barriers including NTBs and tariffs is still rather high. It is specifically so for the products of our export interest such as rice, fruits and vegetables.

Madam Chair,

Referring to manufacturing goods, Japanese policy and regulatory framework continue to favor manufacturers over consumers. This attitude provides protection to domestic manufacturers over foreign products. While the tariffs on these goods are generally low, we feel that the tariff structure is quite complex. In addition, the tariffs on the products of export interest to developing countries remain rather high. Such products include footwear, textile & clothing, hides and skins. Besides, some non-tariff barriers also tend to restrict or delay imports of goods. Such measures include standards unique to Japan, linguistic challenges to doing business and extensive powers of licensing in the hands of trade and industry associations, having limited membership, strong market influence and ability to control information.

Madam Chair,

On DDA negotiation, we greatly appreciate the active role of Japanese delegation at Geneva and their Ambassador, who makes sure to avail every opportunity of engaging in business dialogue. Sushi lunches are respected for frank exchange of ideas on DDA front. I admire his hospitality both at personal level and at institutional level. In supporting Doha mandate, Japan is not only making technical and political contributions to the development agenda, but is also providing a great chunk of financial support to form part of aid for trade package.

We have already made some specific written questions on some of the areas of our interest, and are looking forward to a comprehensive response.

With this Madam Chair, we wish Japan a successful trade policy review.