

**BUSINESS ROUNDTABLE – EUROPEAN ROUND TABLE OF INDUSTRIALISTS – KEIDANREN
JOINT STATEMENT IN SUPPORT OF THE TRILATERAL TRADE MINISTERS INITIATIVE**

Our three organizations, representing leading businesses in the United States, Europe and Japan, including Chief Executive Officers, business leaders, and corporate members, have come together to commend the U.S., EU and Japanese trade ministers for their trilateral work to develop a constructive and effective strategy “to address non-market oriented policies and practices of third countries that lead to severe overcapacity, create unfair competitive conditions for their workers and businesses, hinder the development and use of innovative technologies, and undermine the proper functioning of international trade, including where existing rules are not effective.”

We share the conviction of the three trade ministers that market-oriented policies are fundamental to a fair and mutually advantageous global trading system and welcome their trilateral commitment to maintain the viability and effectiveness of existing World Trade Organization (WTO) disciplines, including through ongoing WTO disputes. We believe the WTO is the backbone of the rules-based system and – with effective reforms – can play a reinvigorated role in shaping international trade rules for the 21st century. We commend the trilateral work to:

- (1) finalize by spring a trilateral text proposal to address the problem of unfair industrial subsidies;
- (2) cooperate on the development of new rules to tackle forced technology transfers, on investment reviews for national security purposes and on export controls;
- (3) advance the trilateral transparency and notification proposal submitted last November to the WTO Council for Trade in Goods and intensify engagement with other WTO partners to advance this proposal;
- (4) strengthen the Council’s regular oversight of compliance with WTO agreements and commitments;
- (5) call on advanced emerging market WTO Members claiming developing country status to undertake full commitments in ongoing and future WTO negotiations; and
- (6) support the WTO negotiations on trade-related aspects of electronic commerce that seek to achieve a high standard agreement with the widest possible participation of WTO members.

We also support the three trade ministers intensifying cooperative efforts to unlock the stalemate preventing progress on comprehensive reform of the WTO dispute settlement system, including with respect

to the WTO Appellate Body. We also support their efforts to strengthen the WTO's negotiating function by promoting more flexible negotiating approaches, such as plurilateral negotiations. These approaches can ensure that the multilateral trading system adequately and effectively updates its rules to address trade distorting practices and the practical and operational challenges facing businesses today in foreign markets that have evolved since the Uruguay Round including rules for emerging technology issues like ecommerce, digital trade, and the digital economy. Finally, we encourage the three trade ministers to consider ways to strengthen business community and stakeholder engagement and consultations with the WTO.

We call on the three governments to advance and implement this action agenda as a matter of urgency to revitalize the WTO and bring it into the 21st century. With the European Union, Japan, and the United States continuing to face economic challenges at home and unfair competitive pressures around the world, it is vital that we make 2019 a breakthrough year in addressing these critically important problems through national, regional and international initiatives, including the modernization and revitalization of the WTO. We encourage the trilateral efforts to continue engaging with other WTO members, including China, to achieve the objectives outlined in this letter.

In the interest of supporting this critically important Japan-U.S.-EU initiative, our three groups have joined together and stand ready to work with all three governments on this important endeavor.