1. With your permission, I should like to make general observations.

First of all I wish to express my gratitude to you, Mr. Chairman, on behalf
of my Government for the publication of a work entitled "A Study on Cotton Textiles". I also wish to express my deep appreciation to the secretariat as well as a number of experts provided by governments concerned whose efforts and contribution have only made this outstanding work possible. We find this booklet highly informative and also very suggestive. This work would be translated into our own language by the Japanese industry concerned and we feel that a wide circulation of this report will help them to fully comprehend the situation in which they find themselves now.

2. Now, I should like to address myself to the review of the implementation of the Long-Term Arrangement by the importing countries.

(a) In the first place, I regret to state, that in some importing countries, particularly in some member States of the Community, efforts towards import liberalization of cotton textiles which they undertook to make under the provisions of the Long-Term Arrangement have not brought about satisfactory results until now.

Admittedly, certain liberalization measures have been taken in member States of the Community, but we must point out that they are related to a very limited range of products which are of little export interest to my country. Further, we note that in administering the Long-Term Arrangement equal treatment between various exporting countries has not been secured.

Accordingly, my delegation takes the view that these countries should eliminate remaining restrictions as soon as possible and that in cases where such liberalization is found difficult in respect of certain items, they should make every effort to come as close as possible to fulfilling the objective of trade liberalization and expansion. In this connexion, my delegation wishes to request these countries to take the following measures:
(1) to indicate the time schedule for import liberalization;

(2) to transfer the quota administration from the governments of importing countries to the governments of exporting countries in order to enable exporters to fully utilize import quotas;

(3) to increase the amount of quotas substantially;

(4) to permit shift of the quotas among categories and

(5) to permit the so-called "carry-over" and "carry-in" of quotas.

Furthermore, I hope the Community as a whole will consider steps to eliminate the ambiguity as to how the commitment by the Community with respect to the increase of quotas is to be implemented by individual States.

(b) In the second place, I wish to say a few words about the policy pursued by the United States. The position of my Government with respect to the United States practice is well-known and therefore I would not repeat it at this time. It should be noted, however, that my delegation representing a major exporting country to the United States market earnestly hopes that with the progress of industrial adjustment the United States would find it possible to fully open up its market to imports in the not too distant future.

(c) In the third place, I cannot let this opportunity pass without making brief comments on the United Kingdom. The new action proposed and now put into effect provisionally by the United Kingdom was already discussed at length in this Committee on previous occasions and my delegation made clear its basic thinking on this matter. I would therefore simply register my voice in request for early removal of this action in the interest of the expansion of trade. At the same time, taking this opportunity I wish to appeal to the United Kingdom Government that serious efforts should be devoted to the improvement of the treatment of such countries which are not subject to the global quota system including my own. There are a number of areas where we feel a wide room for improvement exists. Inter alia, we hope that products at present under the so-called voluntary restraint should be soon liberalized and that in case this is difficult in the immediate future at least concrete liberalization schedules should be indicated. In more technical fields, we request that shifting between categories and carrying-over and carrying-in of quotas should be granted.

(d) In the fourth place, with regard to other importing countries, notably, some of the European Free Trade Association countries, I wish to point out in brief that what I have said with respect to some of the member States of the Community a little while ago practically applies to them as well. As to Canada, we hope that early liberalization and the establishment of annual quota increase could be assured.
(e) In the fifth place, I wish to touch on the question of the Nordwijk Agreement. As you may recall, my delegation raised the same question last December in this Committee. In spite of the statement made by the representative of the European Economic Community at that time, we are not fully convinced that the government authorities of the countries whose industries are said to be members of the Agreement are not directly involved in the implementation of the Agreement. If in fact they are involved, it appears to be inconsistent with the provisions of paragraph 6 of Article 2 of the Long-Term Arrangement, and the apprehension we expressed at the major review session last December that it would have an adverse effect on trade would be even more justified.

My delegation, therefore, would request the governments concerned to re-examine the present situation and to use their influence to guide the industries concerned to do away with this Agreement as soon as possible.

(f) To sum up, through the review of the past performance of the implementation of the Long-Term Arrangement, my delegation wishes to stress that the administration of the Long-Term Arrangement by importing countries has not been satisfactory to us and to urge these countries to improve their administration along the line I mentioned a little earlier.