GENERAL AGREEMENT ON TARIFFS AND TRADE

GATT Liberalization Communiqué No.13

Japan relaxes Import Restrictions and removes Discrimination against Dollar Products

Following the consultations held between the CONTRACTING PARTIES to GATT and the Government of Japan last October at Tokyo, and in accordance with procedures agreed upon at the time, the Japanese Government has transmitted to the GATT secretariat two memoranda setting out certain liberalization measures which became effective on 4 January 1960 and certain further steps announced a week later. The memoranda, together with detailed lists of the products affected by the measures, have been forwarded to the other contracting parties to GATT. The measures can be briefly described as follows.

Removal of Dollar Discrimination

Under the Japanese import control system most products free from restriction are covered by the so-called Automatic Approval System. While most of the products under this system could be freely imported from any source of supply, a few items could be so imported only from countries outside the dollar area. As from 4 January 1960 such discrimination against dollar imports has been removed for certain products (lauans, apitons, and kapur; abaca fibre and waste; gypsum with anhydrous sulphuric acid contents more than 44 per cent; copper alloy waste). On 12 January the Government announced that such discrimination would be removed on all the remaining items by steps as follows. Dollar imports of iron and steel scrap, beef tallow, crude lard will be freed from April 1960; refined lard will be similarly freed after a revision of the present tariff rate. Hides and skins of dollar origin will be added to the Automatic Approval list by the end of September 1960 at the latest. Pig iron and soya bean from the dollar area will probably be covered by the System as from October 1960.

1 These are timber trees
Enlargement of the Automatic Approval System

As from 4 January seventy-five items have been added to the Automatic Approval list. A further 300 items, including wool waste, coffee beans and cinematographic films have been announced for inclusion with effect from April 1960.

Automatic Fund Allocation System

Under this system, which was opened in November 1959, import licences are also issued upon application without limit. To the forty-eight items of machinery included in the original list of November 1959, there have been added as from 4 January thirty-six items of consumer goods. A further 150 items, including ceramics and chemicals for the rubber and leather industries have been announced on 12 January for inclusion with effect from April 1960.

Additional Facilities for Imports of Consumer Goods

In addition to the consumer goods mentioned above, it was announced on 4 January that the Japanese Government will thereafter receive applications for the importation of consumer goods without specification, and that a limited amount of funds will be allocated for these imports each quarter. On 12 January it was announced that for the import of consumer goods, particularly finished products, further relaxation would be realized along the same lines in April 1960.

The memoranda indicate that the additional fund allocation for consumer goods imports might not be available for imports from countries which are practising unreasonable discrimination against Japanese products and the same qualification might apply in connexion with Japan's future liberalization measures, especially in the field of consumer goods.