Mr. Chairman, in the opening speech you referred to certain problems which entailed from the accession of my country to the General Agreement. I wish to make a few additional remarks on this subject.

To be very frank, our disappointment is very deep to see that a large number of contracting parties have invoked Article XXXV against our country. As far as I understand, Article XXXV is not intended to give additional protection or safeguard to the countries which invoke it. It is quite clear that the present situation is inconsistent with the spirit and objectives of the General Agreement and may even create considerable difficulties in the administration of the General Agreement itself. Indeed, it is the strong wish of my government that the present session of the Contracting Parties would be able to arrive at some solution to the situation which would do less violence to the basic principles and objectives of the General Agreement. In applying to accede to the General Agreement, my government has certainly not foreseen the situation we are in now, nor is it, at this time, quite clear about the problems of those contracting parties which withhold the application of the provisions of the General Agreement in relation to Japan.

As we see the problems, they are of two kinds. One relates to those countries which, having a double-column tariff, do not accord the most-favoured-nation treatment to Japan in tariff matters. It is the basic policy of my government to extend, as widely as possible, the most-favoured-nation treatment in tariff matters to the products to be imported from abroad. As a result of our accession to the General Agreement we have now the GATT tariffs and recently we decided to apply those tariffs not only to the GATT members with which we entered into GATT relationship, but also to many other countries which are not members of the GATT but agree to accord us non-discriminatory treatment. However, if certain countries, parties to the General Agreement, refuse to accord the most-favoured-nation treatment to Japanese products, my government should reciprocate them the same treatment for the sake of fairness in relation to the other parties granting such treatment to Japanese products. It goes without saying that the results deriving from such relations are not desirable to the trading relationships between Japan and those countries and are not in conformity with the basic objectives of the General Agreement. We therefore wish to have it clarified why some of the contracting parties are unable to comply with this basic principle in the particular case in question.

The other kind of problems relate to those countries which do not apply discriminatory tariffs to the imports from Japan, but refuse to accept the obligations of the General Agreement in relation to Japan. In fact, many of these countries had undertaken to accept those obligations for some time during the provisional participation by Japan in the General Agreement. I wish to point out that there occurred during these years no serious difficulties which could not be solved within the existing provisions of the General Agreement.
and that my government assured on various occasions its readiness to seek for amicable solution of any difficulties that might arise through prompt and friendly consultations. Some contracting parties referred in the previous Sessions to the flooding of Japanese products in the world market before the war. To this I wish to say that the structure of the economy has changed, and that the Japanese government will be vigilant lest Japanese products should not cause violent disruption of trade. However, should certain contracting parties entertain apprehensions, they should first set forth the nature of the difficulties they envisage before the Contracting Parties may proceed to seek for the solution to cope with such difficulties. We are, as has been stated, ready to participate in a constructive manner in the joint attempt to work out a satisfactory formula. We therefore wish to have those contracting parties concerned to frankly put forward the difficulties which they envisage.

We know that each country has its own problems, and we only want to be reasonable. My delegation strongly wishes that the Contracting Parties would endeavour to work out a solution which would enable the contracting parties concerned to withdraw from recourse to Article XXXV. I trust in the wisdom of the Contracting Parties exceedingly capable of solving the difficulties which have so often confronted them.