

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Working Party on Commodity Problems

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## STATEMENT BY THE JAPANESE REPRESENTATIVE

at the morning meeting on 2 September 1955

1. My Government fully appreciates the importance of international commodity trade, especially for those countries whose economies depend to a large extent on the export of a limited number of primary commodities. We are aware of the need for further constructive efforts for the attainment of stability of international demand and supply of primary commodities for the benefit of both exporting and importing countries. As GATT is competent and responsible for international trade, it is only natural that GATT should be vitally concerned with the problem of international commodity trade.

2. On the other hand, it is a fact that there exist a number of international organizations concerned with commodity trade, such as the Commission on International Commodity Trade and the Food and Agricultural Organization, as well as various commodity study groups and agreements. FAO, for instance, is undertaking an extensive study in the economy of rice, of which the international trade in rice is an integral part. It is also a fact that some of the important exporters of primary commodities remain outside the General Agreement, such as, in the case of Japan, Thailand in respect of rice, and Argentina in respect of wheat. In these circumstances, my Government considers it all very appropriate that the draft Agreement before us leaves the door open to both members and non-members of the General Agreement, and that it does not at once attempt to take over all the existing international arrangements in the commodity field, but stands on the assumption that, at least for the time being, various arrangements may continue to exist in their respective functions. We entertain no doubt that such an agreement should be closely associated with the General Agreement, but my Government feels obliged to be cautious against an attempt at this stage to make the proposed agreement the exclusive international agreement in this field, or to bring the proposed agreement strictly within the General Agreement. Rather, we should, as a start, endeavour to coordinate the functions and operations of various arrangements in order to bring about a unified and efficient handling of this difficult problem of commodity trade.

3. As regards the draft Agreement, my Government appreciates it, as setting forth the basic principles covering the international trade in primary commodities. It has thoroughly studied the draft and is pleased to note

that the draft is based on the Havana Charter and at the same time allows for sufficient flexibility. My country being an importer of almost all the primary commodities, we are interested to see that the interests of importing countries are sufficiently protected as much as those of exporting countries under any proposed arrangement. For instance, we feel that the principle of equality of voting as between exporting and importing countries is one of the most important points. We have no specific proposals to make on the text of the draft Agreement, but I shall reserve my comments on various articles until later stages.