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ACTION BY GOVERNMENTS RELEVANT TO PART IV

Addendum

JAPAN

Japanese imports from developing countries have been rising. In the last three years, they showed a sharp increase from \$84.9 billion in 1971, to \$99.2 billion in 1972, and \$162.4 billion in 1973 (the rates of growth compared with the previous year were 12.2 per cent, 16.8 per cent and 63.9 per cent, respectively). These figures represent 42 to 43 per cent of the total Japanese imports from all countries. Japan thus offers a large and expanding market for products from developing countries, and has been contributing to the expansion of the trade of those countries.

In addition to the measures taken by the Japanese Government in the field of tariff and non-tariff measures which were listed in the GATT document COM.TD/W/210, COM.TD/95 and L/3876/Add.2, Japan has adopted the following measures in respect of the implementation of Part IV of the GATT, since the last review.

I. Measures taken by the Japanese Government

1. Financial assistance to the special project for the development of potential export products in developing countries and the promotion of their imports into Japan

If costs of the commodities produced in developing countries with development assistance by Japan are higher than the current world prices, the Japanese Government, through the Japan Overseas Development Corporation, offers financial aid until such time that the price competitiveness of the commodities has been improved and the import of these products can take place on a commercial basis. The import of maize from Indonesia is a recent example of such a project.

2. Subsidy granted to the non-governmental associations which undertake to promote the purchase of raw materials and manufactured products from developing countries

The Japanese Government grants subsidies to the associations of different industries which undertake the following tasks.

(a) Research into possible uses of goods from developing countries

In order to find new markets or expand existing markets for the products of developing countries which have not been imported at all into Japan or have been imported only in small amounts, the associations obtain samples of products from developing countries, examine them and carry out research into their possible use, and furthermore take steps to propagate the information obtained as a result of these examinations.

(b) Missions to developing countries

The associations send missions to developing countries for the research and technical assistance regarding problems involved in the purchase by Japan of products of developing countries, and with a view to finding new export products for the developing countries visited. A total of 155 missions have been sent since 1961 including fifteen missions in 1973.

(c) Basic study on the promotion of imports from developing countries

The problems and their solutions are identified by country and by product through comprehensive discussions and examination in a special conference which is attended by many experts in this field.

On the basis of the conclusions reached by the above-mentioned conference, the Institute of Developing Economies undertakes a comprehensive study of the problems relating to the product and the examination of possibilities of increasing imports, economic co-operation and regional development. The Institute also sends missions to exchange views with governmental bodies of developing countries. The following three researches were undertaken in 1973:

- (i) research on wool in Brazil, Argentina and Uruguay;
- (ii) research on the development and import of the products of Papua/New Guinea;
- (iii) research on the development and import of the products of South-East Asia (Indonesia, Thailand and Singapore)

3. Co-operation with the South-East Asian Promotion Center for Trade, Investment and Tourism

The Center was established in January 1972 by Japan and nine countries of South-East Asia in pursuance to the resolution adopted by the Ministerial Conference for the Economic Development of South-East Asia. One of the main objectives of this Center is to improve the balance of payments of member countries.

The contribution by Japan to the budget of the Center amounted to ¥ 147 million or 90 per cent of the total. In order to promote the expansion of exports from other member countries to Japan and the Japanese investments in these countries, the Center holds exhibitions of products of member countries and undertakes researches on the Japanese market and new export products of, and investment possibilities in, other member countries. Furthermore, the Center helps exporters of other member countries to have commercial contacts with Japanese importers. Japan External Trade Organization gives full assistance to the Center in its work.

4. Establishment of the Japan International Cooperation Agency

Japan established the Japan International Cooperation Agency in August 1974, in order to facilitate the economic and social development of developing areas abroad and to promote international co-operation.

The main tasks and responsibilities of the newly created Japan International Cooperation Agency are technical co-operation with developing countries and assistance to emigrants - tasks taken over respectively from the now defunct Overseas Technical Cooperation Agency and from the Japan Emigration Service; in addition to these tasks there are new assignments such as providing financial and technical assistance, etc., required for social development as well as development of agriculture, forestry, mining and manufacturing industries in developing areas. More specifically, these activities will mean that this new Agency will finance projects for which it would be difficult to obtain credit from the Export-Import Bank of Japan or the Overseas Economic Cooperation Fund.

The new agency aims at strengthening co-ordination between various projects on governmental and non-governmental bases and harmonization between financial and technical assistance. If surplus for export is brought about in producing countries over and above their domestic demand with regard to products given development assistance by Japan, the agency would help promote the importation of the surplus into Japan.

The various technical co-operations aiming at exploring primary products for exports, which had formerly been undertaken by the Overseas Technical Cooperation Agency, will be continued as one of the tasks of the new Agency. Five concrete projects in this field are now being carried out:

1. Maize in Indonesia
2. Prawn culture in Thailand
3. Soya-beans in Thailand
4. Oilseed in Thailand
5. Maize in Cambodia

II. Measures taken by the Japan External Trade Organization

1. Exhibition of commodities of developing countries and the invitation of leaders from developing countries

In order to expand imports from developing countries, the Japan External Trade Organization has undertaken to hold an exhibition of raw materials, semi-processed and finished products of developing countries in Japan. Last year, four exhibitions in Tokyo and two exhibitions in rural areas were held. It also invited leaders of trade and in the economic field from eleven developing countries.

2. A Consultation Meeting on Product Adaptation and Development for Export and assistance for the discovery of new export products

The Consultation Meeting on Product Adaptation and Development for Export was held in Japan with the participation of experts of trade and industry from both developing countries and Japan. The purpose of this Consultation Meeting was to identify the marketing problems of products of developing countries and to seek their solutions. Fourteen participants were invited to Japan from six countries in the course of last year.

With a view to following up the Consultation Meeting, the Japan External Trade Organization has been sending commodity experts to developing countries to provide assistance to promote the exports of these countries. Four experts were sent to eight countries last year.

3. Co-operation with developing countries for their participation in the International Trade Fair in Japan

The Japan External Trade Organization granted subsidies to seven developing countries to cover the necessary expenses for their participation, such as costs of decoration and rental fees, in order to facilitate their participation in the Japan International Trade Fair which is held in Tokyo or Osaka every other year.