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Introduction

Although the world economy is in the process of recovery and its picture is getting brighter as a whole, there still remain many problems in it, such as high levels of unemployment, high interest rates, and the accumulation of external debts in developing countries. Protectionism is still unabated. The economic recovery of developed countries is not sufficient for bringing about significant effects on the economy of developing countries, with certain exceptions. Under these circumstances, it is extremely important for all nations of the world to co-operate and to make utmost effort for promoting a free and open economy in order to consolidate the foundation for a harmonious development of the world economy through the maintenance and strengthening of the free trade system. Japan is determined to make positive efforts to maintain and strengthen the system, build up harmonious external economic relations, and to contribute to the vitalization of the world economy.

The developing countries are facing many difficulties, such as depressed commodity prices and the accumulation of external debts, and thus their economies are in the far more serious conditions compared with those of the developed countries. In view of the developing countries' vital role in the world trade, Japan is keenly aware of the importance of finding solutions to their economic problems. Therefore, Japan has internationally advocated the need for expanding North-South trade, the importance of open markets in the developed countries, and that of strengthening bilateral and multilateral economic assistance to developing countries. Japan itself has endeavoured to further open its markets, promote imports, and to increase economic co-operation. Japan will continue to act firmly in line with this policy in the years ahead.

Trends of Japan's trade

- General

In the 1960s and 1970s, Japan's trade showed a large growth exceeding that of world trade. As a result, the share of Japan's trade in the world trade increased. Japan's share in the world import rose from 3.7 per cent in 1965 to 6.4 per cent in 1982, while that in the world export rose from 4.5 per cent in 1965 to 7.5 per cent in 1982. Japan's imports continued to increase until 1981 after it experienced a setback in 1975 in which they showed a decrease, down 6.8 per cent from the previous year. But, from 1982 to mid-1983, imports decreased reflecting the stagnant domestic demand, the slackened market of primary commodities, and the decline in the oil price. The total imports in 1983 were \$126.4 billion, down 4.2 per cent from the previous year. Exports, which continued a trend of increase from the 1950s until 1981, registered a decrease in 1982 for the first time in thirty years, owing to the decrease in the volume and the decline in the export prices reflecting the world recession. In 1983 the total exports showed a recovery, registering \$146.9 billion, up 5.8 per cent over the previous year, owing largely to the economic recovery in the United States and Asian countries (Table 1).

As Japan is poorly endowed with energy and other natural resources, Japan's trade is based on resources-processing. In 1983, imports of mineral fuels, such as petroleum, coal and gas, were 46.6 per cent of the total imports and those of raw materials, such as iron ore and lumber, 14.4 per cent, the total accounting for 61 per cent of the total imports. As regards exports in that year, heavy-industry products, such as motor

vehicles, iron and steel, and electrical machinery, and light-industry products, such as textiles and rubber tyres, registered 85 per cent and 12.2 per cent, respectively, the total accounting for 97.2 per cent of the total exports (Tables 2 and 3).

The United States is Japan's largest trading partner both in terms of import and export. In 1983, imports from, and exports to, the United States accounted for 19.5 per cent and 29.1 per cent, respectively. Other major sources of supply to Japan include such energy resources-rich countries as Saudi Arabia, Indonesia, United Arab Emirates and Australia. Other major markets of Japan include such oil-exporting countries as Saudi Arabia, such Asian countries as Korea, Hong Kong and Taiwan, and such developed countries as West Germany, United Kingdom, Australia and Canada (Tables 4 and 5).

- Trade with developing countries

The share of developing countries in Japan's trade, as sources of Japan's imports of energy and mineral resources, and as buyers of Japan's exports of iron and steel, and machinery, generally has been at a considerable level. In 1983, imports from, and exports to, those countries accounted for 55.4 per cent, and 41.8 per cent, respectively. As seen in Table 1, the total share of those countries in 1983 both in import and export decreased from the previous years; the decrease in imports was due, in the main, to the stagnation in petroleum imports, the decline in the oil price and the decreased imports of lumber and oil products, while the decline in exports resulted mainly from the decreased exports to Africa and Central and South American countries reflecting their stagnant economic activity and accumulated external debts. Japan's imports of mineral fuels from developing countries comprise a considerable part of the total imports from developing countries. In 1983, they amounted to 70.7 per cent registering \$49.5 billion, and imports of raw materials and manufactured products represented 13.2 per cent and 10.1 per cent, respectively. Imports of manufactured goods from developing countries in Japan's total imports of manufactured goods stood at 24.5 per cent in 1983 (Table 2). As regards exports, manufactured goods are predominant, accounting for 96.7 per cent in 1983 (Table 3).

Japan's Trade Policy towards Developing Countries and GATT Part IV

It is essential for the development of the world economy to maintain and strengthen the free trade system. In the world of today in which the interdependence among nations is deepening, it is indispensable for the peace and stability of the world to work to promote the world economy, supporting the economic and social development efforts of developing countries. On the basis of this recognition, Japan accepted Part IV of GATT in June 1965, and has since positively participated in the activities of the Committee on Trade and Development. In August 1971 Japan adopted the GSP following the European Community which was the first to have adopted it. In 1973, the GATT Ministerial Conference in Tokyo adopted a resolution to initiate a new round of multilateral trade negotiations. Japan had been a most enthusiastic promotor of MTN. For the Tokyo Round of negotiations, Japan, considering the need to give further benefits to developing countries in their international trade, taking into account their development needs, took a basic position not to expect reciprocity from those countries. As a result of the negotiations on tropical products conducted in 1975 through 1976, Japan offered tariff reductions on eighty-three items, including twenty-eight MFN-related, fifty-two

GSP-related and three NTM-related items. Japan has worked to implement the Tokyo Round Agreements. Furthermore, since December 1981 Japan has endeavoured to open its markets further to promote imports and has taken a series of voluntary external economic measures, including further tariff reductions, relaxation of import restrictions, and improvements of standards and certification systems. Also, while endeavouring for gradual GSP improvement and enlargement of economic assistance, Japan has positively worked for the early establishment of the Common Fund and positively participated in the negotiation and operation of international commodity agreements.

In view of the importance of an appropriate structural adjustment in attaining the sound development of the world economy and trade, Japan has consistently made efforts to upgrade its industrial and trade structure, for instance, in the textile industry, and thus to remove structural obstacles. Partly as a result of such efforts, Japan has not so far employed safeguard measures under Article 19 of the General Agreement, nor has ever resorted to import restrictions under MFA.

Japan is convinced that developing countries have a great potential enabling them to play a significant role in the future in the activation and development of the world economy, and is, therefore, greatly looking forward to their further efforts to contribute to the development of the world economy and their mutual co-operation towards that end.

Japan's Economic and Trade Policies and the Principle and Objective of Article XXXVI

- GSP

(i) General

In accordance with the relevant UNCTAD agreement, Japan introduced the Generalized System of Preferences in August 1971. In fact, Japan was the second to have adopted it following the European Community, with a view to contributing to the solution of the North-South problem through assistance to developing countries for their economic development. In April 1981, Japan extended the application of the system for another ten years, or until the end of March 1991. Japan has introduced various improvements in the system, including the increase of items covered, the reduction of GSP rates, the expansion of ceilings on industrial products, and the introduction of flexible administration of the ceilings, the increase of beneficiaries, the introduction of special treatment for LLDC's, and the modification of Form A. As a result, Japan's GSP imports have increased to a large extent. GSP imports in fiscal year 1983 were 14.7 times of those in fiscal 1972; this growth is remarkable when compared with a 5.1 time growth in the total imports during the period (Table 6).

(ii) Improvements made in fiscal year 1984

With a view to contributing to the vitalization of the world economy through expansion of North-South trade, Japan has effected a considerable improvement on the GSP in the current fiscal year to further open its market. The improvements included: expansion of the ceilings on industrial products by about 55 per cent from the previous ceilings; revision of "maximum country amounts" from the previous one-half to one-third, a measure designed to extend the benefits of GSP to a greater

number of developing countries and GSP tariff reduction for banana and palm oil. Special measures for LLDCs included application of the special treatment (duty free) to jute fabrics (CCCN 57.10), with the ceilings maintained, and with respect to cordage, ropes and cables (CCCN 59.04, 1-4) and sacks and bags for packing (CCCN 62.03), granting of a ceiling-free treatment.

(iii) Beneficiaries

Japan grants preferences under the system to UNCTAD developing member countries desiring to receive them and designated as eligible for such preferences by cabinet order in consideration of level of their development. With regard to territories whose economies are in the way of development and having their own trade and tariff systems, Japan also grants, when they so desire, such preferences with respect to goods designated by a cabinet order. Japan is endeavouring to extend preferences to as many countries and territories as possible. The number of the eligible countries has increased from 96 in fiscal year 1971 to 122 in fiscal year 1984. In fiscal year 1972, Japan started to extend preferences to territories. In fiscal year 1984 there are twenty-four beneficiary territories.

(iv) Agricultural products (CCCN 1-24)

Japan provides preferences with respect to the selected eligible agricultural products, taking into account various factors, such as impacts the granting of preferences might give to domestic industries and the desires of requesting countries. The GSP tariff reduction from MFN rates on such products varies up to 100 per cent. The number of products covered by GSP (CCCN 4-digits) has increased from fifty-nine in fiscal year 1971 to seventy-five in fiscal year 1984. As a result, Japan's GSP imports of agricultural products increased from \$58 million in fiscal year 1972 to \$1,129 million in fiscal year 1983, a remarkable 19.5-times increase. There are no quantitative limits set up for agricultural imports under GSP. However, where GSP imports of a given agricultural product seriously affects or is considered to seriously affect the industry of Japan producing a similar product or a product directly competing with that foreign product in a certain particular use, and the Government deems it urgently necessary to protect that industry, such GSP import may be subjected to suspension by a cabinet order. The cabinet order will designate such a product, and when necessary, a country or territory, from which the import is to be suspended. There are, however, no instances in which this measure has been actually employed.

(v) Industrial products (CCCN 25-99)

- (a) In line with the primary objective of GSP which is the promotion of the industrialization of developing countries, all industrial products are, in principle, covered by Japan's GSP. GSP imports of such products, which were \$305 million in fiscal year 1972, thereafter increased considerably, registering \$4,194 million in fiscal year 1983, a 13.8-times increase compared to that figure for fiscal year 1972.

- (b) Twenty items are excluded from the GSP scheme as of fiscal year 1984. Of those items, three are not eligible for fiscal reasons. Seventeen other items are not eligible mainly for the reason that such products from developing countries are extremely competitive, while the Japanese industries concerned are small in scale and have not yet been rationalized to a more or less reasonable degree.
- (c) As mentioned above, industrial goods are, in principle, exempt from customs duties, but with respect to SP items,¹ which have problems in domestic industries, a rate of 50 per cent of the MFN rates is applicable. The number of such items, which was fifty-seven (CCCN 4-digits) in fiscal year 1971 when the system was inaugurated, has decreased to forty-one by fiscal year 1984.

The GSP contributes to the economic development of developing countries. On the other hand, since rapid increase in GSP imports may cause difficulties to the domestic industries, a ceiling for each of the industrial products groups is set up for each fiscal year. GSP imports are subject to monthly or daily control, and on a first-come-first-served basis, or on a "prior allotment basis". For product groups under monthly control, imports are computed monthly, and where they have exceeded in a certain month its ceiling for the fiscal year, MFN rates will be applied from the first day of the month after next of the month in which the ceiling has been exceeded. As regards the product groups under daily control, their imports are computed daily. Where imports of a product group have exceeded on a certain day its ceiling for the fiscal year, MFN rates will be applied on the day after next of the day when the ceiling has been exceeded. In fiscal year 1984, the product groups under monthly control and those under daily control are 141 and 41 in number, respectively. As for "prior allotment", allotments are decided according to the past import performance. There are nineteen product groups under this category. In order to increase GSP imports as far as possible, flexible administration of ceiling has been in force since fiscal year 1973 with respect to a considerable number of items. Under this measure, GSP imports, even though they exceeded the respective ceilings, may continue to be authorized until such time when this treatment is suspended. The Government may, when necessary, suspend by Ministry of Finance notice the application of this measure with respect to a given item any time, after the import exceeded the prescribed ceiling, taking into account the current trend of GSP imports of that item, their impact on the domestic industries producing a similar product or a product directly competing with that foreign product in a certain particular use, and other factors. In fiscal year 1983, 110 out of 201 product groups were eligible to flexible administration of ceiling. Only two product groups were subjected to the suspension of the GSP treatment.

In view of the purpose of GSP, it is desirable that this system be enjoyed equitably by as many GSP countries and territories as possible, so that this system may contribute equally to those countries' development, it being not desirable that only a handful among those countries enjoy most of the benefits. From this standpoint, Japan introduced the measure of "maximum country amount". Under this measure, where the value or quantity from a country of the imports of an item belonging to a GSP product group in a given fiscal year has exceeded one-third (as changed in fiscal year

¹ SP=selected products in respect of which GSP rates are one-half of m.f.n. rates.

1984 from the previous one-half) of the prescribed ceiling on that group for that fiscal year, the GSP treatment may be suspended with respect to that item originating in that country.

In the revision of the GSP effected in fiscal year 1973, the Government adopted a measure for flexible administration of "maximum country amount", with a view to promoting GSP imports as far as possible. Under this measure, even when, in respect of an item of a given product falling under the measure, the import from a GSP country has exceeded the one-third limit, the preferential rate may continue to be applicable to that item originating in that country. In fiscal year 1984, 134 out of the 201 product groups are eligible to this treatment. However, this treatment may be suspended where GSP imports under this treatment are deemed to affect the domestic industries concerned. In fiscal year 1983, the maximum country amount was flexibly administered with respect to 132 of the 196 product groups, thus none of them were subjected to the suspension of the GSP treatment.

(vi) Differential treatment of preferences

A specified item originating in a specified GSP country may be excluded by cabinet order from the application of the GSP in cases where it is deemed not appropriate to apply the GSP rate, in view of the level of international competitiveness of that particular product of that country, and in consideration of impacts of GSP imports of such product on the domestic industry producing a similar product or a product directly competing with that foreign product in a certain particular use, and other factors. This system was adopted in 1981 when the GSP was extended to apply for another ten years. There are no instances of this system having been employed.

(vii) Special treatment for LLDCs

In fiscal year 1980, a special treatment for those LLDCs which are beneficiaries of Japan's GSP was introduced. Under this treatment, all GSP items with a few exceptions, originating in those countries, including agricultural products and SP items, may be imported duty free, and, without ceiling limits, with respect to industrial products: the escape clause is applicable to these products as in the case of agricultural products. GSP items which this duty-free treatment is not applicable include beeswax and jute yarn, and those for which ceilings remain include jute yarn and jute fabrics. As of fiscal 1984, thirty-four out of the thirty-six countries recognized as LLDCs according to the criteria adopted by the United Nations are the beneficiaries of the special treatment. Comoro and Djibuti are not among Japan's GSP beneficiaries at present: these countries have not expressed the wish to enjoy the Japanese GSP scheme and therefore are not eligible for that special treatment as well.

(viii) Rules of origin

The following requirements have to be met for a product to be eligible for GSP benefits: (1) origin must be established in accordance with Japan's criteria regarding origin recognition; (2) the product must be transported direct to Japan from that country or territory; and (3) the product must be accompanied with the certificate of origin issued by the competent authority of that country or territory. A product originating in a country or territory means a product of which the production has been wholly carried out in that country or territory, or one turned out in that

country or territory, using as materials goods other than the product mentioned above with the processing involving a substantial transformation. Japan adopts certain criteria regarding the processing of materials involving a substantial transformation. As a general rule, a product of a country or a territory in the production of which the processing of non-originating materials used has resulted in a change of tariff headings (CCCN 4-digits) from their original tariff headings, may be regarded as one originating in that country or territory. Japan's rules of origin were formulated, fully taking into account the text adopted by the Working Party of UNCTAD on Rule of Origin in December 1970. Japan has been endeavouring to improve its rules of origin, taking into account the discussions made at international forums. The modification of Form A was implemented in fiscal year 1983.

(ix) Technical co-operation

Japan, considering that the propagation of information on Japan's GSP helps its fullest possible utilization and thus promotes Japan's imports from developing countries, has one GSP expert sent to UNCTAD as Associate Expert, sponsors a GSP seminar, sends Japanese experts to GSP seminars, gives GSP lectures in Japan as a regular project under the technical assistance scheme, distributes GSP pamphlets in English, and sponsors a seminar on Japan's customs system.

(x) Review in each fiscal year

Regarding Japan's GSP, requests for the extension of its product coverage, reduction in the GSP rates, increase of the ceilings, modification of the ceiling management, and various other requests have been made by its beneficiaries. Japan carries out the work of revising the system in each fiscal year, bearing in mind such requests and other factors.

- MTN

Japan played a positive role in the Tokyo Round of Multilateral Trade Negotiations (MTN), considering that an opportunity of negotiations, such as the one like this, aimed at reduction of both tariff and non-tariff trade barriers, is important for promoting a free trade and for keeping protectionism under control. The trade coverage of concessions at the Tokyo Round of Negotiations amounted to \$110 billion for industrial products and \$15 billion for agricultural products. Japan offered a tariff reduction to 3 per cent from 5.8 per cent, or a reduction of nearly 50 per cent, with respect to about 2,400 industrial items (their imports in fiscal year 1976 were about \$13.6 billion). With regard to agricultural products, Japan offered tariff concessions for about 200 items (the imports in fiscal year 1976 were about \$3.4 billion). Especially, in the negotiations on tropical products, Japan's offer was on 83 items. Items of trade interest to developing countries included shrimps, coffee, tea, palm oil, coconut oil, castor oil and canned pineapples. In fiscal year 1977, Japan, in a voluntary action, implemented the reduction in the tariff rates two years ahead of schedule, with respect to Japan's offers made in the Tokyo Round of Negotiations. In fiscal year 1978, Japan effected the reductions on about 120 items, including motor vehicle, with a view to helping to promote the MTN. More recently, Japan effected in April 1982 two years ahead of schedule the across-the-board tariff reductions of the Tokyo Round

Agreements, and in April 1984, effected one year ahead of schedule the across-the-board tariff reductions on industrial products of the Tokyo Round Agreements. Furthermore, Japan intends to effect in the next fiscal year reductions one year ahead of schedule with respect to agricultural products, and two years ahead of schedule with respect to industrial products, taking into account, in so doing, developments in advanced implementation by other developed countries.

In the non-tariff area, Japan offered in the Tokyo Round Negotiations import liberalization and increase in the import quotas with respect to some agricultural products. The agreements on non-tariff measures are particularly significant achievements in the Tokyo Round Negotiations. Japan considers it an important task confronting the GATT to further the international co-operation, working in line with those agreements in the years ahead.

Japan has proposed a new multilateral round of trade negotiations with a view to strengthening the free trade system and achieving the vitalization of the world economy, and is active on talks with other GATT member countries.

- Economic co-operation

(i) The objective of Japan's economic co-operation is to assist the independent efforts of developing countries in their economic and social development and to help to stabilize their peoples' livelihood and improve their welfare. In the economic co-operation, Japan places particular emphasis on the areas of village and agricultural development, energy resources development, human resources development, and promotion of small- and medium-enterprises. With regard to ODA which plays a principal role in the economic co-operation, Japan formulated a medium-term target of doubling in three years from 1978 the ODA which reached \$1.7 billion-odd in 1977. This target was achieved in 1980, with a performance exceeding the original target. Thereafter, in spite of the Government's arduous task of financial rehabilitation, Japan has been endeavouring to achieve a new medium-term target to expand the ODA. As a result, Japan's ODA in 1983 amounted to \$3.76 billion, the second largest performance among all seventeen DAC countries (in the case of France, overseas departments and territories are excluded). The overall grant element in Japan's ODA in 1983 was 79.5 per cent. Japan will continue to endeavour to achieve the international target for overall grant element of 86 per cent, through the expansion of grant aid in the ODA budget and positive participation in contribution to international development finance institutions. Japan has been making efforts to increase assistance in grant to least-developed countries as far as possible. When offering loans to such countries on their request, Japan gives them on better concessional terms than those offered to other developing countries (Table 9).

(ii) Co-operation with developing countries for the promotion of their exports

With a view to contributing to the promotion of developing countries' trade, Japan provides them Yen loans for projects to strengthen their export capability, and also provides them with various related technical co-operation, through the Japan International Co-operation Agency (JICA), including the holding of a seminar on trade promotion, a leaders' group-training course on external trade, and a seminar on import and export food inspection, and dispatch of experts on quality control. Japan also conducts various activities in the interest of developing countries.

through the Japan External Trade Organization (JETRO), including research for their export promotion, establishment of trade and industry co-operation centres, co-operation for improving those countries' export products, co-operation with trade promotional organs in those countries, and sponsoring of exhibitions of their export products. With regard to ASEAN, Japan is promoting ASEAN's exports to Japan and investment in ASEAN through ASEAN Trade, Investment and Tourism Promotion Center.

(iii) International financial institutions

Japan is also positively taking part in multilateral economic assistance through international financial institutions. In view of the significant role being played by the International Development Association (IDA) in the economic and social development of developing countries, especially low-income countries, Japan made a contribution of an amount which was the second highest after the United States, at its sixth replenishment, and intends to take on the largest share in fiscal year 1984 special contribution. Japan also intends to co-operate with the IDA at its seventh replenishment by taking on a share of 18.7 per cent, a figure largely exceeding its share at the sixth replenishment.

As for regional development financial institutions, Japan is the biggest contributor to the Asian Development Bank, with a 16.4 per cent share of its capital and a 37.1 per cent share of its special fund, and to the African Development Fund, with a 13.6 per cent share. Japan is also the biggest contributor to the Inter-American Development Bank and the second biggest contributor to the African Development Bank, among all non-regional member countries. Furthermore, Japan is the third biggest contributor to the UNDP and the International Development Fund for Agriculture. Japan intends to positively conduct co-operation through such international development financial institutions.

(ix) Direct investment

The accumulated amount of Japan's direct investments overseas (31,814 cases) as of 31 March 1984 was in the region of \$61.3 billion. The share of developing countries was 53.8 per cent. Japan will continue to encourage direct investment overseas by the private sector, for they contribute to the acceleration of the economic development and trade expansion of developing countries through capital and technology transfer and creation of employment opportunities. It is important for developing countries to make greater efforts to create better environments for promoting private investments from overseas.

Japan's Trade Policy Measures in line with the Commitments under the GATT Article XXXVII

- Measures for further opening Japan's market (Tariff and Non-Tariff)

Japan considers it indispensable for the development of the world economy to maintain and strengthen the free-trade system and keep protectionism in check. It is Japan's policy to make a positive contribution compatible with its international position. Japan has thus steadily endeavoured to open its market further, and, especially, since December 1981 Japan has implemented a series of marketing opening packages consisting of tariff reductions, relaxation of import restrictions, improvement of customs procedure, improvement of the standards and the certification system, and so forth.

(i) Reduction of tariffs

Japan has taken part in six GATT tariff negotiations and has made strenuous efforts to reduce tariffs. Recently, Japan has voluntarily reduced tariffs ahead of schedule on a large number of items in a series of external economic packages, although the tariff reductions agreed upon in the Tokyo Round Negotiations are to be implemented over eight years from 1980 to 1987. As a result of the advanced implementation of those measures as well as other tariff reduction and tariff elimination on some items, Japan's tariff level has dropped to such a low level as 2.5 per cent (fiscal year 1983) in terms of tariff burden ratio (tariff revenue/import).

Highlights of the Five Packages of
External Economic Measures

| Announced | Implemented | Content | Trade coverage in dutiable imports |
|------------|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| 16.12.1981 | April 1982 | Tariffs reduced across the board two years ahead of schedule on 1,653 items, and other measures | 43% |
| 28.5.1982 | April 1983 | Tariffs eliminated on 96 items, reduced on 119 items | 11% |
| 13.1.1983 | April 1983 | Tariffs eliminated on 13 items, reduced on 73 items | |
| 21.10.1983 | April 1984 | Tariffs reduced across the board one year ahead of schedule on 1,280 items; tariffs eliminated or reduced on 44 items | 28% |
| 27.4.1984 | April 1985 | Tariff reduced across the board two years ahead of schedule on industrial items and tariffs reduced one year ahead of schedule on agricultural items (see Note); tariffs eliminated or reduced on 76 items | |

Note: This measure will be implemented taking into account developments in the advanced implementation by other developed countries of tariff reduction agreed upon in the Tokyo Round of Negotiations.

(ii) Relaxation of import restrictions

In 1963 when Japan became an Article 11 country, there were 197 items under quantitative import restrictions, excluding those for Security purposes. Japan has since steadily taken liberalization measures and now quantitative import restrictions are limited to 27 products (5 industrial products and 22 agricultural products). Japan has also made efforts to expand the import quotas. It is now difficult to withdraw the existing quantitative import restrictions because this matter is politically and socially very sensitive. Similar difficulties exist in other countries. In spite of this difficulty, Japan has relaxed import restrictions as far as possible in recent years with respect to the following items:

(a) Package of 28 May 1982: expansion of import quotas on four items - herring, prepared and preserved pork, hi-test molasses, canned pineapple;

(b) Package of 13 January 1983: expansion of import quotas on six items - dried leguminous vegetable, groundnuts, fruit puree and paste, non-citrus fruit juice, tomato juice, and tomato ketchup and sauce;

(c) Package of 27 April 1984: 1. expansion of import quotas on thirteen items - beef, fresh orange, orange juice, grapefruit juice, dried leguminous vegetable, groundnuts, corned beef (in airtight container), fruit puree and paste, fruit pulp, canned pineapple, non-citrus fruit juice, tomato juice, tomato ketchup and sauce and 2. import liberalization - prepared or preserved products of pig meat or offals (not mixed with bovine meat or offals), hi-test molasses and other sugars, some items of fruit puree and paste, some items of fruit pulp, fruit juice of prune, cherry, apricot and some of items of berries and tropical juice (excluding pineapple juice); some items of other food preparations added with sugar.

(iii) Standards and certification system

With due consideration to foreign complaints with regard to Japanese standards and certification system, Japan has taken comprehensive and concrete measures to improve its standards and certification system since January 1982. The greatest achievement resulting from the implementation of those measures was the "package revision" of sixteen laws enacted in May 1983. Under the revised laws, it became legally possible for foreign business to apply directly for certification regarding medical products, automobiles, electric appliances, measuring instruments, fertilizer, agricultural machines, and many other products. This has removed the difference in treatment between domestic and foreign suppliers.

As regards matters for which it is not necessary to revise laws, Japan has taken measures for ensuring transparency in the process of formulating standards (by listening to opinions from people concerned including foreigners and other means), promotion of internationalization of standards, promotion of accepting foreign test data, simplification and expediting of certification procedure, etc.

(iv) OTO

In order to ensure the speedy and appropriate handling of grievances and complaints made regarding import inspection procedures and other trade-

related Japanese systems and traditions, Japan established the Office of Trade Ombudsman (OTO) in January 1982. By 29 August this year the OTO received 159 complaints and processed 153. Systems and their management were improved in 42 cases; in 75 other cases, explanations were made to dispel the complainants' misunderstanding of facts. The processing of these complaints has effectively encouraged imports. The April 1984 package of external economic measures expanded the OTO's functions. The expanded OTO not only deals with, as hitherto, complaints concerning import inspection procedures and other trade-related systems and customs, but also accepts complaints relating to direct investment in Japan. Accordingly, the Office has been renamed the Office of Trade and Investment Ombudsman.

(v) Improvement of customs procedure

Since April 1982, Japan has been making efforts to simplify and rationalize the customs procedure. For example, Japan introduced five measures such as "after permit examination" (under which an import permit is issued and cargo released, leaving only duty assessment and without the deposit of bond) and "general examination system" (under which examination may be simplified for those goods that are easily identifiable and routinely traded between the same parties). Since the implementation of these measures, the average number of days required for customs clearance has been decreased. Now it takes only 0.3 days (about two hours) from the time of import declaration made to the customs office till the completion of inspection and examination, compared with 0.6 days required in 1981.

- Fiscal measures

In Japan the commodity tax is levied on a non-discriminatory basis, whether the taxable goods are domestic or imported, with rates fixed according to the tax-burden bearing capability of individual goods. Many consumers' goods are subject to this taxation. Coffee and cocoa are taxable as luxury items. This tax is also applicable to fruit juice, carbonated water (e.g. cola, lemonade), and so on.

- Structural adjustment

In order to strengthen the foundation for the free trade system, it is important to enable the market mechanism, which makes the efficient distribution of resources possible, to function as smoothly as possible and to promote the structural adjustment policy aimed to build up a flexible industrial structure. In Japan, over the past twenty years, disposal of inefficient and obsolete facilities, reallocation of manpower in areas requiring adjustment, and the development of high technology, which is essential in the vitalization of the world economy, have been promoted at the initiative of the private sector, with the help of appropriate policy measures. In the 1960s, the share of labour-intensive industries, such as textile industry in the total industrial production declined, and the shares of the metal, machinery and chemical industries increased. Since the 1970s the growth of the energy-intensive industry, such as steel and petrochemical industries, has been stagnant owing to the two oil crises experienced, while, on the other hand, the processing and assembling industry, excluding ship building, has increased its share. There has been rapid development in recent years on the part of some industries which have succeeded to turn out products of high added value as a result of intensive research and development, such as electronic and automobile industries, and information service industry. Knowledge-intensive industrial activity has thus been rapidly progressing.

In agriculture, as a result of the efforts made for its modernization and rationalization, increasing productivity and promoting structural adjustment through selective expansion of agricultural production, the agricultural population has decreased by 50 per cent over the last twenty years.

- Textiles

Japan hopes that the trade in textiles and clothing will further expand and develop in the future, as this is of great importance to the development of developing countries. Although the Japanese textiles and clothing industry has been in a difficult situation as it has to meet the quickly changing taste of consumers and the competition from developing countries which is becoming increasingly acute, the industry has been making efforts for structural adjustment through modernization and knowledge intensification. Japan has not employed any import restrictions under the MFA or otherwise. As regards tariff rates, they are lower than those of most other industrialized countries.

Japan is a net exporter in textile trade and a net importer in clothing trade. In the trade of textiles and clothing as a whole, Japan is a net exporter. In 1982, Japan's imports of textiles amounted to \$1.6 billion, while the exports were \$5.1 billion. The textile trade in 1982 resulted in the surplus of \$3.5 billion. Japan's imports of clothing in 1982 stood at \$1.8 billion, while its exports amounted to \$0.6 billion. The clothing trade in 1982 resulted in a deficit of \$1.2 billion. The balance of Japan's textiles and clothing trade in 1982 registered a surplus of \$2.5 billion. In recent years, imports of clothing have increased so rapidly that they showed an increase of more than three times over the last ten years. Imports of textiles and clothing from developing countries accounted for more than 60 per cent of total imports of these products. In Japan clothing became one of the major import items and in 1983 it was the tenth biggest import item.

- Agricultural products

As agricultural products, notably food items, are most essential goods, the stable development of world agricultural trade is crucially important for Japan in order to secure a stable supply of food. Agriculture plays a significant role for maintaining an appropriate level of employment and income for agricultural workers, and for utilizing land effectively and for its conservation. While recognizing such characteristics of agriculture on one hand, Japan has made efforts, on the other, to steadily increase imports of agricultural products. Today, Japan's food self sufficiency ratio is about 50 per cent in a calorific base, which is the lowest among the industrialized countries.

Japan is one of the major importing countries of agricultural products (including forestry and fishery products) in the world. Japan's imports of agricultural products in 1983 amount to \$25.5 billion. Japan's share in the world imports of agricultural products was 8.7 per cent in 1982. Japan is the largest net importer of agricultural products in the world. Japan's imports of agricultural products from GSP beneficiaries also increased 2.7 times over the last ten years, reaching \$7 billion in fiscal year 1983.

Joint Actions under the GATT Article XXXVIII

- Common Fund for Commodities

The stability of commodity prices is very important, especially to developing countries, which depend, to a large extent, upon the export of primary commodities for their economies, as their exports of primary commodities contribute importantly to their export earnings, their ability to repay external debts and to obtain the capital needed for development. The Common Fund is one of the biggest achievements resulting from recent North-South dialogues. Japan contributed, in no small measure, toward the adoption of the Agreement on the Establishment of the Common Fund for Commodities and its entry into force. Japan became the fifth signatory to the Agreement by depositing the instrument of acceptance in June 1981. Japan has contributed \$33.67 million to the Common Fund, the largest contribution second only to that of the United States, and pledged \$27 million, the third biggest amount, as a voluntary contribution to the Second Account of the Fund.

- International commodity agreements

Primary products are important export goods of many developing countries and they play an extremely important role in their economic development. In securing the stable development of commodity trade, Japan has positively participated in the negotiation of respective international commodity agreements and has made efforts for effective implementation of the existing agreements among the parties. Japan has been a member of the international commodity agreements on natural rubber, cocoa, coffee, tin, jute and jute products, sugar, and wheat. As regards the Tropical Timber Agreement whose target date of enforcement is 1 October 1984, Japan has already submitted an instrument of acceptance on 28 June 1984.

- Joint action in collaboration with international organizations

Japan attaches great importance to the North-South problem: the social and economic development of developing countries and the adjustment of the gap between the North and the South. Japan will continue to contribute to the solution of the North-South problem, promoting a constructive North-South dialogue in the United Nations and in other international fora, and taking advantage of all other available opportunities. Japan is actively participating in the UNCTAD activities.

Japan has supported the UNCTAD/GATT International Trade Centre directly or through contribution to the UNDP.

Table 1
(U.S.\$ millions)

Japan's External Trade

| | Import | | | | Export | | | |
|------|---------|---------------------|----------------------|----------------------|---------|---------------------|----------------------|----------------------|
| | Total | Developed Countries | Developing Countries | Eastern Trading Area | Total | Developed Countries | Developing Countries | Eastern Trading Area |
| 1965 | 8,169 | (51.2) 4,186 | (42.3) 3,456 | (6.5) 527 | 8,452 | (50.9) 4,298 | (43.4) 3,671 | (5.7) 478 |
| 1970 | 18,881 | (55.2) 10,430 | (40.1) 7,564 | (4.7) 887 | 19,317 | (54.1) 10,440 | (40.5) 7,827 | (5.4) 1,045 |
| 1975 | 57,863 | (41.3) 23,894 | (53.5) 30,962 | (5.2) 3,006 | 55,753 | (42.0) 23,434 | (49.6) 27,632 | (8.4) 4,683 |
| 1979 | 110,672 | (38.9) 43,044 | (56.2) 62,234 | (4.9) 5,392 | 103,032 | (47.3) 48,759 | (45.5) 46,889 | (7.2) 7,383 |
| 1980 | 140,528 | (35.0) 49,120 | (60.3) 84,733 | (4.8) 6,669 | 129,807 | (47.1) 61,172 | (45.8) 59,480 | (7.1) 9,155 |
| 1981 | 143,290 | (35.8) 51,336 | (58.8) 84,223 | (5.4) 7,724 | 152,030 | (48.5) 73,668 | (45.3) 68,848 | (6.3) 9,514 |
| 1982 | 131,931 | (36.7) 48,428 | (57.7) 76,069 | (5.6) 7,430 | 138,831 | (49.0) 67,995 | (45.0) 62,435 | (6.1) 8,401 |
| 1983 | 126,393 | (39.0) 49,325 | (55.4) 70,060 | (5.5) 7,004 | 146,927 | (52.2) 76,563 | (41.8) 61,435 | (6.1) 8,930 |

Table 2

Japan's Import by product groups

| | (US\$ millions) | | | | |
|------------------------|-----------------|---------|---------|---------|---------|
| | 1979 | 1980 | 1981 | 1982 | 1983 |
| Total | 110,672 | 140,528 | 143,290 | 131,931 | 126,393 |
| LDCs | 62,234 | 84,733 | 84,223 | 76,069 | 70,060 |
| Food Stuff | 14,415 | 14,666 | 15,913 | 14,575 | 14,896 |
| LDCs | 5,040 | 4,586 | 4,584 | 4,779 | 5,166 |
| Raw Materials | 22,195 | 23,760 | 20,035 | 18,911 | 18,212 |
| LDCs | 9,052 | 9,684 | 7,895 | 7,361 | 6,944 |
| Mineral Fuels | 45,286 | 69,991 | 72,563 | 65,618 | 58,925 |
| LDCs | 39,579 | 62,055 | 62,846 | 55,425 | 49,507 |
| Manufactured Products | 27,133 | 30,568 | 31,270 | 30,212 | 31,943 |
| LDCs | 7,774 | 7,881 | 8,218 | 7,935 | 7,991 |
| Chemicals | 5,065 | 6,090 | 6,396 | 6,729 | 7,107 |
| LDCs | 611 | 793 | 864 | 847 | 930 |
| Metal Products | 4,315 | 5,374 | 5,256 | 5,101 | 5,475 |
| LDCs | 2,081 | 2,449 | 2,315 | 2,442 | 2,651 |
| Textiles | 3,832 | 3,180 | 3,430 | 3,434 | 2,987 |
| LDCs | 2,217 | 1,596 | 1,885 | 1,882 | 1,509 |
| Machinery & Equipments | 8,343 | 9,843 | 10,240 | 9,112 | 10,409 |
| LDCs | 1,028 | 1,323 | 1,415 | 1,069 | 1,206 |

Table 3

Japan's Export by Product Groups

| | (US\$ millions) | | | | |
|------------------------------------|-----------------|---------|---------|---------|---------|
| | 1979 | 1980 | 1981 | 1982 | 1983 |
| Total | 103,032 | 129,807 | 152,030 | 138,831 | 146,927 |
| LDCs | 46,889 | 59,480 | 68,848 | 62,435 | 61,435 |
| Food Stuff | 1,207 | 1,588 | 1,739 | 1,401 | 1,389 |
| LDCs | 803 | 1,083 | 1,279 | 932 | 841 |
| Crude Materials & Fuels | 1,063 | 1,271 | 1,269 | 1,039 | 1,100 |
| LDCs | 577 | 738 | 714 | 571 | 600 |
| Manufactured Products | 99,087 | 124,650 | 146,874 | 134,256 | 142,247 |
| LDCs | 44,672 | 56,691 | 65,850 | 59,977 | 58,931 |
| Light Industry Products | 11,986 | 15,786 | 18,177 | 16,782 | 17,977 |
| LDCs | 6,290 | 8,130 | 9,319 | 8,411 | 8,816 |
| Heavy Industry Products | 87,662 | 109,567 | 129,459 | 118,093 | 124,915 |
| LDCs | 38,761 | 48,984 | 57,009 | 51,985 | 50,570 |

Japan's Imports from 10 Major Countries (1983)

Table 4

(US\$,000)

| | Country | Imports | % Share in total imports | Major import items |
|----|----------------------|-------------|--------------------------|----------------------------------------------------------------------------------------------------------------|
| | Total | 126,393,046 | 100.0 | |
| 1 | U. S. A. | 24,647,466 | 19.5 | cereals, machinery other than electric, electric machinery, transport equipment, wood, coal |
| 2 | Saudi Arabia | 15,529,981 | 12.3 | petroleum and petroleum products, gas |
| 3 | Indonesia | 10,432,322 | 8.3 | petroleum and petroleum products, gas |
| 4 | United Arab Emirates | 7,792,800 | 6.2 | petroleum and petroleum products, gas |
| 5 | Australia | 6,641,541 | 5.3 | coal, iron ore, gas, wool, meat of bovine, cereals |
| 6 | China | 5,087,357 | 4.0 | petroleum and petroleum products, made-up articles of textile, coal |
| 7 | Canada | 4,429,748 | 3.5 | coal, cereals, wood, copper |
| 8 | Iran | 4,231,432 | 3.3 | petroleum and petroleum products |
| 9 | Korea, Rep. of | 3,364,954 | 2.7 | made-up articles of textile, fish and fish preparations, machinery and equipments, and iron and steel products |
| 10 | Malaysia | 3,130,703 | 2.5 | wood, petroleum and petroleum products, chemicals |

Japan's Exports to 10 Major Countries (1983) Table 5

| | | (US\$,000) | |
|-------------------|-------------|--------------------------|------------------------------------------------------------------------------------------------------|
| Country | Exports | % Share in total exports | Major export items |
| Total | 146,927,472 | 100.0 | |
| 1 U. S. A. | 42,828,810 | 29.1 | motor vehicles, electric. machinery, office machines, iron and steel products |
| 2 Saudi Arabia | 6,686,574 | 4.6 | motor vehicles, electric. machinery, machinery other than electric machines, iron and steel products |
| 3 Korea, Rep. of | 6,003,770 | 4.1 | machinery other than electric machines, electric. machinery, iron and steel products, textiles |
| 4 F. R. Germany | 5,877,395 | 4.0 | electric. machinery, machinery other than electric machines, motor vehicles, precision instrument |
| 5 Hong Kong | 5,288,840 | 3.6 | electric. machinery, precision instrument, textiles |
| 6 Taiwan Province | 5,085,699 | 3.5 | electric. machinery, machinery other than electric machines, iron and steel products |
| 7 U. K. | 3,982,507 | 3.4 | electric. machinery, motor vehicles, machinery other than electric machines |
| 8 China | 4,912,334 | 3.3 | iron and steel products, machinery other than electric machines, transport equipment |
| 9 Singapore | 4,448,224 | 3.0 | electric. machinery, machinery other than electric machines, iron and steel products |
| 10 Australia | 4,279,948 | 2.9 | electric. machinery, transport equipment |

Japan's Import under GSP

| | | (US\$ million) | | | | | | | | | | | | | |
|-------------------------------|------------------------|----------------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|---------|---------|------|
| | | FY | 1971 | 1972 | 1973 | 1974 | 1975 | 1976 | 1977 | 1978 | 1979 | 1980 | 1981 | 1982 | 1983 |
| Total Import | Total | 17,580 | 25,362 | 44,948 | 62,611 | 58,225 | 67,286 | 71,668 | 86,635 | 120,671 | 143,976 | 142,734 | 127,313 | 129,350 | |
| | Covered by GSP | 5,296 | 10,255 | 20,343 | 31,124 | 30,886 | 36,626 | 38,627 | 43,630 | 68,433 | 88,119 | 80,562 | 76,409 | 73,741 | |
| | Accorded GSP Treatment | 437 | 1,124 | 2,729 | 2,505 | 2,506 | 3,451 | 3,970 | 5,834 | 7,593 | 8,487 | 9,134 | 8,575 | 8,888 | |
| | Utilization Rate (%) | 31.1 | 32.2 | 35.5 | 52.3 | 51.6 | 51.9 | 58.6 | 53.9 | 56.9 | 58.7 | 59.5 | 61.4 | 59.4 | |
| Import from GSP Beneficiaries | Total | 853 | 1,564 | 2,582 | 3,589 | 3,712 | 4,031 | 4,638 | 5,179 | 5,968 | 6,217 | 6,233 | 6,606 | 7,010 | |
| | Covered by GSP | 30 | 64 | 197 | 267 | 275 | 391 | 554 | 662 | 874 | 977 | 1,097 | 1,076 | 1,178 | |
| | Accorded GSP Treatment | 27 | 58 | 178 | 246 | 257 | 366 | 512 | 620 | 710 | 902 | 1,017 | 1,026 | 1,129 | |
| | Utilization Rate (%) | 90.0 | 90.6 | 90.4 | 92.1 | 93.5 | 93.6 | 92.4 | 93.7 | 91.2 | 92.3 | 92.7 | 95.4 | 95.8 | |
| Industrial Products | Total | 4,443 | 8,691 | 17,761 | 29,575 | 27,174 | 32,595 | 33,889 | 38,451 | 62,665 | 81,883 | 80,333 | 69,903 | 66,731 | |
| | Covered by GSP | 407 | 1,060 | 2,532 | 2,238 | 2,231 | 3,059 | 3,376 | 5,172 | 6,719 | 7,510 | 8,038 | 7,500 | 7,710 | |
| | Accorded GSP Treatment | 109 | 305 | 792 | 1,065 | 1,036 | 1,423 | 1,791 | 2,527 | 3,614 | 4,083 | 4,420 | 4,237 | 4,194 | |
| | Utilization Rate (%) | 76.8 | 28.0 | 31.3 | 47.6 | 46.4 | 46.5 | 53.1 | 48.9 | 53.8 | 56.6 | 55.0 | 56.5 | 54.6 | |

(US \$,000) TABLE 7

TOP 20 GSP BENEFICIARIES

| | F Y 1 9 8 1 | | | F Y 1 9 8 2 | | | F Y 1 9 8 3 | | |
|----|-----------------|------------|-------|-----------------|------------|-------|-----------------|------------|-------|
| | Country | GSP Import | Ratio | Country | GSP Import | Ratio | Country | GSP Import | Ratio |
| | Total | 5,437,257 | 100.0 | Total | 5,263,249 | 100.0 | Total | 5,323,256 | 100.0 |
| 1 | Korea, Rep. of | 1,320,995 | 24.5 | Korea Rep. of | 1,182,169 | 22.5 | Korea, Rep. of | 1,212,932 | 22.8 |
| 2 | Taiwan Province | 1,056,028 | 19.4 | Taiwan Province | 1,116,176 | 21.2 | Taiwan Province | 1,107,386 | 20.8 |
| 3 | China | 531,251 | 9.8 | China | 482,823 | 9.2 | China | 405,406 | 7.6 |
| 4 | Philippines | 372,731 | 6.9 | Philippines | 372,148 | 7.1 | Brazil | 362,647 | 6.8 |
| 5 | Spain | 220,227 | 4.1 | Brazil | 235,795 | 4.5 | Philippines | 333,062 | 6.3 |
| 6 | Singapore | 216,215 | 4.0 | Singapore | 211,494 | 4.0 | Malaysia | 253,102 | 4.8 |
| 7 | Malaysia | 209,586 | 3.9 | Malaysia | 207,098 | 3.9 | Spain | 232,701 | 4.4 |
| 8 | Brazil | 196,976 | 3.6 | India | 196,002 | 3.7 | Singapore | 204,274 | 3.8 |
| 9 | Israel | 182,730 | 3.4 | Spain | 192,176 | 3.7 | Thailand | 116,502 | 2.2 |
| 10 | India | 169,589 | 3.1 | Israel | 168,128 | 3.2 | Romania | 103,823 | 2.0 |
| 11 | Thailand | 122,413 | 2.3 | Hong Kong | 117,753 | 2.2 | Hong Kong | 100,105 | 1.9 |
| 12 | Hong Kong | 111,470 | 2.1 | Thailand | 112,294 | 2.1 | Mexico | 91,723 | 1.7 |
| 13 | Venezuela | 80,999 | 1.5 | Mexico | 69,649 | 1.3 | Venezuela | 67,215 | 1.3 |
| 14 | Mexico | 79,545 | 1.5 | Venezuela | 61,943 | 1.2 | India | 66,218 | 1.2 |
| 15 | Romania | 52,220 | 1.0 | Indonesia | 49,804 | 0.9 | Bahrain | 62,252 | 1.2 |
| 16 | Colombia | 48,768 | 0.9 | Peru | 37,968 | 0.7 | Indonesia | 50,265 | 0.9 |
| 17 | Zambia | 47,692 | 0.9 | Chile | 34,976 | 0.7 | Morocco | 47,937 | 0.9 |
| 18 | Peru | 39,758 | 0.7 | Colombia | 34,351 | 0.7 | Mauritania | 46,382 | 0.9 |
| 19 | Indonesia | 39,536 | 0.7 | Zambia | 33,044 | 0.6 | Saudi Arabia | 41,472 | 0.8 |
| 20 | Ghana | 34,478 | 0.6 | Romania | 30,732 | 0.6 | Peru | 40,333 | 0.8 |

Table 8

*** I M P O R T S F R O M B E N E F I C I A R I E S *** (1983.4 - 1984.3) (1000 U.S.DOLLARS) PAGE- 1

BENEFICIARIES ----- C C N CHAPTER 1 - 24 ----- C C M CHAPTER 25 - 99 -----

| | T O T A L M F M D U T I A B L E | C O V E R E D | P R E F E R E N T I A L | T O T A L M F M D U T I A B L E* | C O V E R E D | P R E F E R E N T I A L |
|--------------|---------------------------------|---------------|-------------------------|----------------------------------|---------------|-------------------------|
| R KOREA | 777,090 | 725,783 | 113,441 | 2,367,335 | 2,001,863 | 1,736,440 |
| CHINA | 853,802 | 527,199 | 91,023 | 1,761,759 | 1,098,771 | 804,811 |
| TAIWAN Prov. | 1,023,595 | 990,551 | 279,972 | 1,662,552 | 1,363,584 | 1,315,837 |
| MONGOL | 207 | 0 | 0 | 1,947 | 74 | 59 |
| HONG KONG | 69,734 | 60,679 | 4,060 | 559,864 | 407,189 | 390,501 |
| VIETNAM | 28,393 | 23,810 | 1,488 | 12,547 | 498 | 492 |
| THAILAND | 510,804 | 449,748 | 28,399 | 558,425 | 131,379 | 127,115 |
| SINGAPORE | 35,341 | 33,941 | 18,793 | 331,896 | 230,571 | 226,258 |
| MALAYSIA | 178,630 | 167,405 | 92,728 | 2,302,188 | 191,991 | 189,496 |
| BRUNEI | 68 | 68 | 29 | 1,362,876 | 22 | 22 |
| PHILIPPINES | 453,876 | 432,754 | 219,096 | 789,239 | 211,836 | 210,757 |
| INDONESIA | 383,763 | 263,238 | 11,269 | 5,720,440 | 235,617 | 224,600 |
| CAMBODIA | 214 | 10 | 0 | 23 | 23 | 23 |
| LAOS | 0 | 0 | 0 | 1,820 | 0 | 0 |
| RUSSIA | 23,140 | 11,558 | 200 | 23,423 | 7,363 | 7,363 |
| INDIA | 337,389 | 284,812 | 19,170 | 703,951 | 86,742 | 73,113 |
| PAKISTAN | 33,825 | 25,793 | 90 | 211,414 | 138,512 | 70,642 |
| SRI LANKA | 30,771 | 22,960 | 10,700 | 32,700 | 18,762 | 18,755 |
| MALDIVES | 823 | 793 | 0 | 132 | 115 | 115 |
| BANGLA | 33,150 | 32,636 | 95 | 10,356 | 5,353 | 5,353 |
| AFGHANISTAN | 502 | 96 | 0 | 204 | 65 | 61 |
| NEPAL | 132 | 23 | 19 | 628 | 575 | 575 |
| BHUTAN | 0 | 0 | 0 | 21 | 0 | 0 |
| IRAQ | 6,701 | 4,066 | 2,142 | 3,607 | 747 | 747 |
| IRAQ | 279 | 0 | 0 | 275 | 54 | 54 |
| BAHRAIN | 0 | 0 | 0 | 135,413 | 133,929 | 133,929 |
| YEMEN | 988 | 442 | 0 | 2 | 0 | 0 |
| Saudi ARAB | 4,007 | 4,000 | 0 | 57,226 | 41,559 | 41,559 |
| KUWAIT | 4,999 | 4,999 | 0 | 11,353 | 1,001 | 1,001 |

| BENEFICIARIES | ... I M P O R T S F R O M R E N E F I C I A R I E S ... | | (1983.4 - 1984.3) | | (1000 U.S.DOLLARS) | |
|---------------|---------------------------------------------------------|---------------------------------------|---------------------------------|---------------------------------------|---------------------------------------|---------|
| | CHAPTER | CHAPTER | C C C N | CHAPTER | 25 - 99 | ----- |
| | T O T A L M F M O U T I A D L E | C O V E R E D P R E F E R E N T I A L | T O T A L M F M O U T I A D L E | C O V E R E D P R E F E R E N T I A L | C O V E R E D P R E F E R E N T I A L | |
| QATAR | 1 | 0 | 2,698 | 2,621 | 2,621 | 867 |
| YEMEN | 732 | 0 | 110 | 1 | 1 | 0 |
| ISRAEL | 6,127 | 696 | 178,455 | 36,816 | 36,756 | 34,927 |
| JORDAN | 0 | 0 | 19,709 | 339 | 339 | 0 |
| SYRIA | 149 | 0 | 1,190 | 6 | 6 | 0 |
| LEBANON | 0 | 0 | 1,561 | 386 | 386 | 0 |
| U A R B E | 13 | 13 | 584,186 | 73,529 | 73,529 | 32,678 |
| PORTUGL | 49,431 | 3,302 | 58,325 | 35,470 | 31,635 | 15,275 |
| SPAIN | 143,262 | 93,868 | 269,300 | 223,096 | 215,473 | 139,481 |
| GIBRALT | 0 | 0 | 4 | 0 | 0 | 0 |
| MALTA | 337 | 336 | 71 | 71 | 71 | 16 |
| YUGOSLV | 9,465 | 7,043 | 21,767 | 20,992 | 20,551 | 6,720 |
| ROMANIA | 2,419 | 1,171 | 116,600 | 116,429 | 116,426 | 102,652 |
| BULGAN | 7,828 | 3,598 | 27,234 | 26,661 | 25,605 | 22,277 |
| CYPRUS | 271 | 259 | 203 | 45 | 45 | 0 |
| TURKEY | 26,442 | 666 | 14,770 | 939 | 551 | 347 |
| MEXICO | 88,348 | 3,040 | 347,256 | 174,905 | 174,788 | 89,175 |
| GUATMAL | 21,777 | 31 | 41,567 | 91 | 84 | 9 |
| HONDURS | 32,194 | 0 | 11,881 | 875 | 875 | 874 |
| BELIZE | 112 | 0 | 350 | 0 | 0 | 0 |
| SALVADR | 13,529 | 0 | 29,724 | 65 | 65 | 42 |
| NICARAG | 6,277 | 0 | 72,365 | 8 | 8 | 0 |
| CST RCA | 7,312 | 1,781 | 246 | 246 | 246 | 0 |
| PAHAMA | 32,580 | 32,071 | 16,821 | 427 | 427 | 0 |
| BERMUDA | 57 | 2 | 15 | 15 | 15 | 0 |
| BAHAMA | 0 | 0 | 12,780 | 12,777 | 12,777 | 12,756 |
| JAMAICA | 7,931 | 0 | 106 | 46 | 46 | 0 |
| TUR CAI | 0 | 0 | 41 | 0 | 0 | 0 |
| BARBADOS | 0 | 0 | 193 | 112 | 112 | 0 |

| BENEFICIARIES | C C H CHAPTER 1 - 24 | | C C H CHAPTER 25 - 99 | | TOTAL MFN DUTIABLE | COVERED PREFERENTIAL | Y O T A L * MFN DUTIABLE* | COVERED PREFERENTIAL | TOTAL MFN DUTIABLE | COVERED PREFERENTIAL |
|---------------|----------------------|----------------------|-----------------------|----------------------|--------------------|----------------------|---------------------------|----------------------|--------------------|----------------------|
| | TOTAL MFN DUTIABLE | COVERED PREFERENTIAL | TOTAL MFN DUTIABLE* | COVERED PREFERENTIAL | | | | | | |
| TRINIDAD | 143 | 75 | 14 | 14 | 5,278 | 509 | 509 | 448 | | |
| CUBA | 103,542 | 101,354 | 34 | 34 | 1,129 | 1,101 | 1,101 | 1,099 | | |
| HAITI | 1,824 | 8 | 0 | 0 | 55 | 55 | 55 | 30 | | |
| DOMINICA | 4,086 | 3,558 | 0 | 0 | 11,089 | 11,070 | 11,070 | 8,976 | | |
| A VIR I | 37 | 37 | 0 | 0 | 4,822 | 4,822 | 4,822 | 4,822 | | |
| M ANTIL | 644 | 644 | 0 | 0 | 3 | 2 | 2 | 0 | | |
| CAYMAN | 11 | 6 | 0 | 0 | 17 | 15 | 15 | 0 | | |
| GRENADA | 0 | 0 | 0 | 0 | 30 | 0 | 0 | 0 | | |
| ST LUCI | 24 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | | |
| ANTIGUA | 5 | 0 | 0 | 0 | 32 | 10 | 10 | 0 | | |
| B VIR I | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | | |
| B DOMC | 8 | 0 | 0 | 0 | 32 | 2 | 2 | 0 | | |
| MONT SE | 0 | 0 | 0 | 0 | 143 | 141 | 141 | 0 | | |
| ST KITT | 0 | 0 | 0 | 0 | 32 | 0 | 0 | 0 | | |
| ST VINI | 15 | 0 | 0 | 0 | 21 | 0 | 0 | 0 | | |
| COLOMBIA | 109,992 | 29,744 | 28 | 27 | 37,767 | 36,770 | 36,770 | 30,887 | | |
| VENEZUELA | 3,471 | 421 | 135 | 133 | 342,310 | 331,324 | 331,324 | 67,082 | | |
| GUYANA | 9,949 | 9,902 | 0 | 0 | 3,117 | 5 | 5 | 0 | | |
| SURINAM | 12,932 | 12,932 | 0 | 0 | 1,971 | 0 | 0 | 0 | | |
| ECUADOR | 23,312 | 18,937 | 9,908 | 9,908 | 1,714 | 485 | 485 | 349 | | |
| PERU | 28,890 | 7,342 | 2,065 | 2,020 | 360,471 | 134,730 | 135,938 | 38,313 | | |
| BOLIVIA | 540 | 0 | 0 | 0 | 7,943 | 2,028 | 2,014 | 1,930 | | |
| CHILE | 79,488 | 39,978 | 9,770 | 9,553 | 461,684 | 82,073 | 82,073 | 10,945 | | |
| BRAZIL | 392,956 | 126,679 | 34,472 | 34,288 | 1,383,529 | 532,664 | 509,897 | 328,359 | | |
| PARAGUA | 4,956 | 873 | 159 | 159 | 8,989 | 2,194 | 2,194 | 1,524 | | |
| URUGUAY | 15,845 | 7,184 | 80 | 64 | 10,440 | 1,473 | 1,392 | 496 | | |
| ARGENT | 457,840 | 400,233 | 3,758 | 3,724 | 109,341 | 87,302 | 86,706 | 18,206 | | |
| FALKLND | 0 | 0 | 0 | 0 | 1,101 | 0 | 0 | 0 | | |
| MOROCCO | 75,800 | 74,108 | 48,521 | 47,626 | 38,485 | 292 | 292 | | | |

| BENEFICIARIES | T O T A L M F N D U T I A B L E | C O V E R E D | P R E F E R E N T I A L | Y O T A L M F N D U T I A B L E* | C O V E R E D | P R E F E R E N T I A L | |
|------------------|---------------------------------|---------------|-------------------------|----------------------------------|---------------|-------------------------|-----------|
| ETHIOP | 24,548 | 531 | 477 | 469 | 7,014 | 30 | 23 |
| KENYA | 4,061 | 2,602 | 2,182 | 2,035 | 10,797 | 939 | 824 |
| UGANDA | 15,881 | 0 | 0 | 0 | 2,187 | 0 | 0 |
| TANZANIA | 15,390 | 796 | 226 | 209 | 2,752 | 1,914 | 1,808 |
| SEYCHEL | 1,023 | 879 | 0 | 0 | 0 | 0 | 0 |
| MADAGAS | 37,799 | 26,700 | 1 | 0 | 5,012 | 3 | 2 |
| MAURITIUS | 8 | 8 | 0 | 0 | 115 | 71 | 0 |
| ZIMBABWE | 19,987 | 3,348 | 0 | 0 | 66,153 | 46,605 | 15,492 |
| LESOTHO | 0 | 0 | 0 | 0 | 43 | 26 | 0 |
| MALAWI | 11,018 | 0 | 0 | 0 | 2 | 0 | 0 |
| ZAMBIA | 295 | 8 | 0 | 0 | 173,852 | 168,723 | 168,723 |
| BOTSWANA | 171 | 0 | 0 | 0 | 187 | 107 | 86 |
| SWAZLAND | 46 | 46 | 0 | 0 | 9,454 | 0 | 0 |
| PAPUA NEW GUINEA | 42,194 | 10,052 | 42 | 40 | 279,129 | 50 | 50 |
| COOK ISLANDS | 204 | 8 | 0 | 0 | 1 | 0 | 0 |
| VANUATU | 824 | 0 | 0 | 0 | 118 | 118 | 0 |
| NEW HEBRIDES | 609 | 353 | 0 | 0 | 4 | 0 | 0 |
| FIJI | 8,574 | 6,393 | 2,845 | 53 | 630 | 65 | 22 |
| SOLOMON ISLANDS | 13,806 | 7,720 | 1,053 | 1,053 | 20,434 | 0 | 0 |
| TONGA | 61 | 57 | 56 | 0 | 5 | 3 | 3 |
| GUAM | 1,642 | 1,642 | 0 | 0 | 868 | 6 | 0 |
| AMERICAN SAMOA | 62 | 62 | 0 | 0 | 0 | 0 | 0 |
| MICRONESIA | 2,001 | 37 | 17 | 0 | 733 | 144 | 144 |
| GRAND TOTAL | 7,009,848 | 5,350,847 | 1,177,676 | 1,129,334 | 22,197,328 | 8,526,088 | 7,709,990 |

* EXCLUDING THE IMPORTS OF THE DUTIABLE PRODUCTS FALLING WITHIN CCCN 27.09 27.10-1 27.11

Table 9

Total Net Flow of Financial Resources from Japan to
Developing Countries and Multilateral Agencies in 1983

(Million U.S. Dollars)

| Type of Transactions | 1982 | 1983 | Increase (%) |
|--------------------------------------------------------------------|----------|----------|--------------|
| I. Official Development Assistance (ODA) | 5,023.3 | 5,761.0 | 24.4 |
| 1. Bilateral Assistance | 2,367.5 | 2,425.2 | 2.4 |
| (1) Grants: | 805.2 | 993.4 | 23.4 |
| Grant Assistance | 412.3 | 535.1 | 29.8 |
| Technical Assistance | 392.9 | 458.3 | 16.6 |
| (2) Development Lending and Capital | 1,562.1 | 1,431.8 | △8.3 |
| 2. Grants, Capital Subscription and Loans to Multilateral Agencies | 656.0 | 1,335.8 | 103.6 |
| Increase over previous year (%) | △4.7 | 24.4 | - |
| As Percentage of GNP (%) | 0.28 | 0.33 | - |
| II. Other Official Flows (OOF) | 2,913.7 | 1,954.3 | △32.9 |
| 1. Export Credits (Over 1 year) | 849.5 | 472.1 | △44.4 |
| 2. Direct Investment Finances and others | 2,094.9 | 1,441.5 | △31.2 |
| 3. Transactions with Multilateral Agencies at Market Terms | △30.7 | 40.7 | - |
| III. Private Flows (PF) | 2,926.5 | 2,918.0 | △0.4 |
| 1. Direct Investment | 365.5 | 432.8 | 19.1 |
| 2. Export Credits (Over 1 Year) | △1,762.3 | △2,068.6 | - |
| 3. Other Bilateral Securities and Claims | 2,798.8 | 2,338.9 | △16.4 |
| 4. Multilateral Private Flows | 1,526.5 | 2,214.9 | 44.9 |
| IV. Grants by Voluntary Agencies | 23.3 | 29.7 | 27.5 |
| Total Official and Private Flows (I + II - III + IV) | 8,888.8 | 8,663.0 | △2.5 |
| Increase over previous year (%) | 27.3 | △2.5 | - |
| As Percentage of GNP (%) | 0.84 | 0.75 | - |
| GNP (Hundred Million U.S. dollars) | 10,631.4 | 11,562.8 | 8.8 |
| (For Reference) | | | |
| 1. Export Credits -- Total | △912.9 | △1,596.5 | - |
| 2. Direct Investments and Others -- Total | 2,458.4 | 1,874.3 | △23.8 |

Note: 1. Net disbursement basis.
2. As the figures in the table are rounded off, they do not necessarily add up to the totals.