GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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JAPAN - RESTRAINTS ON IMPORTS OF MANUFACTURED TOBACCO

Recourse to Article XXIII:2 by the United States

The following communication dated 7 November 1979 has been received from the United States mission, with the request that it be circulated to the contracting parties.

The Government of Japan maintains a variety of governmental measures, which taken together, establish a pattern of discriminatory treatment against imports of manufactured tobacco products in a manner inconsistent with the provisions of the GATT regarding national treatment of imports (Article III) and the operation of State-trading monopolies (Article XVII).

The United States has held consultations with the Government of Japan under Article XXIII:1 of the General Agreement. Unfortunately, these consultations did not succeed in resolving the matter.

The United States believes that these measures constitute a prima facie case of nullification and impairment of benefits accruing to the United States under the General Agreement. The United States therefore requests the establishment of a panel under Article XXIII:2 of the General Agreement to review the allegations in the United States' complaint in the light of the provisions of the General Agreement and to recommend the immediate removal of the practices in question by the Government of Japan.