

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

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REDUCTION AND ELIMINATION OF CUSTOMS DUTIES

Communication by Japan

The following communication, dated 27 December 1982, has been received from the Permanent Representative of Japan.

I should like to inform you that on December 24, 1982 the Customs Tariff Council of Japan decided on the reduction and elimination of tariffs on a significant number of items. I took the liberty of enclosing a document containing salient points of the decision by the Customs Tariff Council.

The decided measures cover both agricultural and industrial products, and include not a few "sensitive" items. The decision calls for sacrifices on the part of many Japanese producers concerned against the background of mounting domestic difficulties. Also, the reduction and elimination of tariffs are of unilateral character.

Without the strong leadership of Prime Minister Nakasone himself, the decision would not have become possible. As such, the decided measures constitute Japan's positive contribution to the maintenance and strengthening of the free trading system.

Japan's Tariff Reduction for F.Y. 1983

(Conclusions of the Customs Tariff Council,
December 24, 1982)

I. General Statement

1. Customs and Tariff council today held its general meeting and decided on the tariff reductions to be made for FY 1983.

Main features of the recommendation are as follows:

A) Reduction and elimination of tariff on 215 items announced in the May 28 package (the so-called "second package"), together with 13 items announced in November but also regarded as part of the "second package".

B) Reduction and elimination of tariffs on additional industrial products.

C) Reduction and elimination of tariffs on additional agricultural products.

D) Reduction of tariffs on chocolate, biscuits, and tobacco.

The Government of Japan will seek the Diet approval of these reductions by the end of March 1983 so that the recommendation of the customs and tariff council will come into effect as of April 1, 1983.

2. Today's decision by the customs tariff council only became possible by dint of the strong leadership of Prime Minister Nakasone, who places the utmost importance on the furtherance

of the relationship with other countries as well as on the maintenance and strengthening of the free trading system.

3. The decision includes not only the measures announced in the "second package" but also a significant number of items which were not included in the "second package".

4. The decided measures are of unilateral nature without demanding comparable tariff reduction by other countries, which is the normal practice of tariff cuts in the GATT. This unilateral decision is all the more significant today when the world economy is in stagnation and protectionist moves are emerging around the world.

II. Details

1. Industrial products

-- Tariffs on 28 additional items are to be eliminated or reduced.

-- These reductions are made in addition to the tariff reductions on 198 industrial items announced in May and 13 industrial items, (luxuary items) announced in November. (These reductions are often referred to as reduction in the "second package")

2. Agricultural products

-- Tariffs on 47 agricultural products are to be eliminated or reduced.

3. Others

(1) Brandy -- tariff reduction on brandy was decided as announced last April.

(2) Cigarettes and other tobacco products
-- Further reduction of tariffs was decided.

(3) Chocolate confectionary and biscuits
-- Substantial reduction was decided for tariffs on chocolate and biscuits.

(4) GSP Items
-- GSP rates on 9 items are to be reduced.

4. "Second Package" (1982, 5, 28) (see; GATT document L/5332)

(1) Second package of market-opening measures

	Agricultural Products	Manufactured & Mineral Products	Total
Elimination	--	97	97
Reduction	17	114	131
Total	17	211	228

(198+13)

The above products include:

Tariff elimination: Machine tools, consumer electronics,
boilers and electric generators, cut diamonds.

Tariff reduction: Computers, auto parts, photographic film,
nuclear power equipment, cookies, chocolate
confectionary, lemons and limes, almonds,
menthol, ski, parts and accessory of ski.

(2) Average tariff rates for products covered by the measure
FY1982-6.5 percent
FY1983-3.4 percent

(Note)

13 industrial items -- it was announced in November that tariff
reduction on 13 industrial items (mainly luxury goods) will be
added to the "second package" announced in May.

They include articles of copper or nickel, watch movements etc.

(Note)

"First package" (1981.12.6): schedule of tariff reductions on 1,653 products advanced by two years, and reduction of tariff on whisky averaging 10.4 percent (see GATT Document TAR/52 Add.1, COM/TD/109)

(1) Number of products on which tariffs are to be reduced by a uniform two years in advance of the schedule agreed to in the Tokyo Round of Multilateral Trade Negotiations.

Agricultural Products	114
Mining and Manufactured Products	1,539
Total	1,653

(2) Average tariff rates covered by the measures

FY1981	8.0 percent
FY1982	6.75 percent.