

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

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JAPAN - MEASURES AFFECTING THE WORLD MARKET FOR COPPER
ORES AND CONCENTRATES

Request by the European Economic Community
for the Establishment of a Working Party
under Article XXII:2

The following communication, dated 29 February 1984, has been received from the Permanent Delegation of the Commission of the European Communities with the request that it be circulated to contracting parties and that the matter be placed on the Agenda for the meeting of the Council on 13 March 1984.

The European Economic Community wishes to reiterate its concern at the distortions observed by the copper industry in the world market for ores and concentrates as a result of pricing practices in the Japanese market for refined copper, and that country's purchasing practices vis-à-vis producing countries in respect of copper concentrates.

This policy, which encourages an artificial price structure, maintained by isolating the Japanese market from international competition, can be described briefly as follows: Japan applies on imports of unworked copper a specific tariff at the rate of 3 per cent. This tariff allows the domestic industry to maintain the Japanese market price of copper at a level higher than the world price (London Metal Exchange). As a result, the Japanese industry can assure itself of supplies of copper concentrates by systematically quoting offer prices higher than those that the European industry and the industries of other countries can permit themselves.

This matter has been the subject of several bilateral discussions with the Japanese authorities. In addition, following a request by the EEC (document L/5286 of 29 January 1982), two consultation meetings have taken place with Japan, under Article XXII:1 of the General Agreement. Other contracting parties were also associated in these. Notwithstanding the efforts made at bilateral level, no satisfactory solution could be reached.

In these circumstances, and since this matter is complex and of general interest, the EEC requests the CONTRACTING PARTIES to establish a working party in accordance with the provisions of Article XXII:2.

The working party would be instructed to examine, in the light of the General Agreement, the distortive effects in the world market for copper ores and concentrates that can result from the pricing policy in the Japanese market for refined copper and the purchasing practices of Japan in regard to copper concentrates.