

**GENERAL AGREEMENT ON
TARIFFS AND TRADE**

RESTRICTED

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Group on Quantitative Restrictions
and Other Non-Tariff Measures

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PROPOSALS REGARDING QUANTITATIVE RESTRICTIONS
AND OTHER NON-TARIFF MEASURES

JAPAN

Addendum

The report (1984) of the Group on Quantitative Restrictions and Other Non-Tariff Measures (L/5713), adopted by the CONTRACTING PARTIES at their fortieth session, contains the recommendation that contracting parties should make written proposals by the end of April 1985 regarding quantitative restrictions and other non-tariff measures (paragraphs 44(h) and 65(f)).

The following communication, dated 10 May 1985, has been received from the delegation of Japan.

I would like to forward to you proposals of the Japanese Government regarding quantitative restrictions and other non-tariff measures, in pursuance of the recommendations of the Group on Quantitative Restrictions and other Non-Tariff Measures (L/5713).

- I. External economic measures announced on 9 April 1985 (see L/5795.)
1. Improvement of standards and certification systems and import testing procedures, etc.

(1) In order to contribute to the improvement of standards and certification systems, the Government will continue its review on the actual state of implementation of the measures of 26 March 1983, taken by the Liaison and Coordination Headquarters on Standards and Certification Systems, etc., and endeavour for the improvement of the standards and certification systems.

- (2) Pharmaceuticals and medical equipment:

(i) When pharmaceuticals and medical equipment are submitted for the examination for approval under the Pharmaceutical Affairs Law, foreign clinical test data shall be accepted for medical equipment and in vitro diagnostic reagents in case they are immune to ethnic

differences. Also, in order to ensure transparency of the process of the examination for approval, firms applying for approval, including foreign firms, shall be given opportunities to hear instructions directly from and explain their comments directly to the Central Pharmaceutical Affairs Council.

(ii) Simplification and expedition of approval and licensing procedures for pharmaceuticals, etc.

Application documents shall be simplified when the applicant for an import licence is holder of a licence for manufacture.

With regard to approvals for manufacture and import, the scope of approval authority to be delegated to the Prefectural Governors was expanded on 1 April 1985 in order to expedite examination.

(iii) Permission for use and sale of high-priced medical devices imported for the purpose of clinical trials

In case medical devices imported for the purpose of clinical trials are high-priced or their disposal or recovery may cost much, their use and sale shall be permitted on the condition that they conform to the requirements for approval.

(iv) Simplification and rationalization of licensing procedures for cosmetics

With regard to licensing procedures for cosmetics, simplification and rationalization such as issuance of licences allowing some latitude in the rate of combination of colouring agents were made on 1 April 1985.

(v) Permission of joint use of testing facilities for import licences for cosmetics

Joint use of testing facilities shall be permitted.

(3) Telecommunications

On 1 April 1985, the Telecommunications Business Law, Nippon Telegraph and Telephone Corporation Law and other related legislation entered into force, and the Japanese telecommunications market which had been under a new system on the same day with the fully-fledged introduction of the competitive principle.

In view of the objectives of the institutional changes, which are to inject vitality into the telecommunications business by mobilizing the creative originality and ingenuity of the private entrepreneurs, the new system shall be implemented under the principles of non-discrimination, simplicity, transparency and market opening.

(i) Procurement by Nippon Telegraph and Telephone Corporation (NTT)

While the Nippon Telegraph and Telephone Public Corporation has been privatized, the GATT Government Procurement Code and the Japan-US NTT Procurement Arrangements will remain applicable to NTT procurement for the life of the said Arrangements, i.e. through 31 December 1985.

(ii) Type II telecommunications business

Type II telecommunications business is free from foreign capital restrictions with the adoption of the non-discrimination principle. The procedures of registration and notification have been made simple and transparent.

Data processing using telecommunications lines had been free, not requiring notification or other procedures. This remains unchanged after the Telecommunications Business Law entered into force and thus neither registration nor notification is required.

(iii) Fair competition in telecommunications business

As safeguards against cross-subsidization by Type I telecommunications carriers including NTT, necessary provisions have been included in the Accounting Regulations.

(iv) Standards and certification of telecommunications terminal equipment

Technical standards for terminal equipment have already been very much simplified, but a study will take place promptly with a view to simplifying these standards aiming mainly at prevention of harm to the network.

The technical standards compliance approval of terminal equipment shall be conducted by an impartial, neutral and independent approval agency, on the basis of foreign test data, in cases of foreign supplies, and by document inspection.

(v) Transparency

In drafting technical standards etc., transparency shall be secured by announcing the schedules as early as possible to interested parties both domestic and foreign, although various means including soliciting of views on the drafts from interested parties both domestic and foreign, and participation of a Japanese national serving in a foreign-affiliated firm in the Telecommunications Advisory Council.

(4) Other specific measures:

(i) Permission for passage of high-cube containers

With regard to marine containers 40 feet long and 9 feet 6 inches high, permission shall be granted for their passage through the predesignated routes, with such conditions attached as are necessary to secure safety, while taking account of the state of the roads and the volume of traffic involved.

(ii) Simplification of procedures for the notification of imported foods, etc.

Necessary steps shall be taken to introduce anew a prior notification system.

Necessary steps shall also be taken to extend the validity time of certificates for continued imports of tablewares, cooking utensils and food-producing machines.

Accompanying documents for the import notification shall be simplified.

(iii) Simplification of the methods of indication of foodstuffs used solely as processing materials

Necessary steps shall be taken to simplify the methods of indication of food sanitation with respect to foodstuffs used solely as processing materials.

(iv) Establishment of standards for mineral water

Necessary steps shall be taken to establish food sanitation standards for mineral water.

(v) Institution of plant quarantine on holidays at New Tokyo International Airport

Necessary steps are being taken to institute plant quarantine on Saturday afternoon and holidays at New Tokyo International Airport from April 1985 by increasing the number of quarantine officers.

2. The action programme for improving market access

The Government has decided to take into full consideration the policy of recommendations by the Advisory Committee for External Economic Issues.

The Advisory Committee recommended, among others:

64.02* - 122, 123, 129, 192, 193,
194, 199, 211, 219 Leather footwear

*This is still under consideration with a view to implementing it, if possible, from September 1985.