

GENERAL AGREEMENT ON

RESTRICTED

TARIFFS AND TRADE

L/6389

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JAPAN - RESTRICTIONS ON IMPORTS OF CERTAIN AGRICULTURAL PRODUCTS

Information from the Government of Japan

The following information has been received by the secretariat from Japan with the request that it be circulated to contracting parties.

MARKET-OPENING MEASURES CONCERNING IMPORTS OF CERTAIN AGRICULTURAL PRODUCTS

1. The Government of Japan will implement, subject to the necessary domestic procedures including the approval of the Diet, market-opening measures concerning imports of certain agricultural products as indicated in the attachment hereto. These measures are to be implemented unilaterally by the Government of Japan, following the recommendations adopted last February by the GATT Council¹ concerning import régimes for such agricultural products and in accordance with the most-favoured-nation treatment provided for in the General Agreement.

The Government of Japan hereby notifies these measures (as for measures on prepared and preserved meat and meat products of bovine animals or pigs, they were already notified through L/6370) to the GATT secretariat, with a view to ensuring transparency and in accordance with the relevant provisions of the Understanding Regarding Notification, Consultation, Dispute Settlement and Surveillance adopted on 28 November 1979.

2. The points of the market-opening measures are as follows.

(1) Seven items to be liberalized:

(1) Processed cheese

The import allocation system will be terminated on 1 April 1989. In parallel with the termination of the import allocation system, the tariff will be raised.

¹Report of the Panel on "Japan - restrictions on imports of certain agricultural products" (L/6253) adopted by the Council on 2 February 1988.

(2) Other sugars and sugar syrups (excluding lactose)

The import allocation system will be terminated on 1 April 1990. In parallel with the termination of the import allocation system, tariffs will be raised for certain items excluding GATT binding items.

(3) Fruit purée and paste

The import allocation system will be terminated on 1 October 1988 for non-citrus fruit purée and paste, and on 1 April 1990 for citrus fruit purée and paste.

(4) Fruit otherwise prepared or preserved

(a) Fruit pulp

The import allocation system will be terminated on 1 October 1988 for apple, grape and peach pulp, and on 1 April 1990 for citrus fruit pulp.

(b) Prepared and preserved pineapples

The import allocation system will be terminated on 1 April 1990 and a tariff quota system for canned pineapples will be introduced thereupon.

(5) Non-citrus fruit juices

The import allocation system will be terminated for fruit juice for infants on 1 October 1988, for non-citrus fruit juice other than apple, grape, and pineapple on 1 April 1989, and for apple, grape and pineapple juice on 1 April 1990. In parallel with the termination of the import allocation system, tariffs for certain apple juices will be raised.

(6) Tomato juice, tomato ketchup and tomato sauce

The import allocation system will be terminated on 1 July 1989, and tariffs for tomato juice and ketchup will be raised thereupon.

(7) Food preparations mainly consisting of sugar

The import allocation system will be terminated on 1 April 1990, and a part of tariff concession on other food preparations n.e.s. will be withdrawn in accordance with Article XXVIII of the GATT and its present tariff rate be raised, but the tariff of products in containers of 500 gr. or less for retail sale will be reduced.

(8) In addition to the above, market access will be improved in the period before the termination of import allocation systems.

(2) Dairy products

(1) The import allocation system will be terminated for pasta on 1 October 1988, and for frozen yoghurt, whipped cream in pressurized containers, ice cream and protein concentrates on 1 April 1990, and tariff-raising measures will be taken for frozen yoghurt. Import access will also be improved in the period before the terminations.

(2) For a portion of the items whose import allocation systems will not be terminated, import access will be improved from JFY 1988 to JFY 1990.

(3) Starch and inulin

The import access will be maintained from JFY 1988 to JFY 1990 at 150,000 metric tons per year.

(4) Dried leguminous vegetables

The import allocation system will be terminated for chick-peas and lentils on 1 October 1988, and the minimum import access will be maintained from JFY 1988 to JFY 1990 at 120,000 metric tons per year.

(5) Groundnuts

(1) The minimum import access will be increased from 60,000 metric tons to 75,000 metric tons per year from JFY 1988 to JFY 1990. However, with regard to the import allocation level for JFY 1990, in the event that a serious problem exists in the Japanese domestic market situation of groundnuts, consultations will be held with the government concerned.

(2) For groundnuts for the manufacture of peanut butter, import allocations will be set in accordance with demand.

(6) Other reduction of tariffs

(1) The Government of Japan will take the following tariff reduction measures subject to necessary domestic procedures.

	<u>Current rate</u>	<u>JFY 1989</u>
Popcorn (maize which is explosive with heating under normal air pressure)	Tariff quota at 0% primary tariff ¥ 15/kg. secondary tariff	0%
Fructose (chemically pure)	12.8%	9%
Cocoa preparations (excluding those in blocks, slabs and paste etc.) (sugar added)	35%	28%
Breakfast cereals (excluding grains of rice, wheat, etc. which are simply swelled or roasted)	19.2%	15.4%
Roasted nuts:		
Macadamia nuts	8%	5%
Pecan nuts	10.2%	5%
Others excluding Ginkgo nuts	12.8%	6%
Pineapples, prepared or preserved: (without added sugar)	55%	30% (From JFY 1990) Tariff quota will be introduced at 0% primary tariff for canned pineapples
Bananas and avocados in pulp form (with added sugar)	35%	30%
Bananas and avocados in pulp form (without added sugar)	25%	20%
Prunes in pulp form (without added sugar)	25%	20%
Mayonnaise	16%	12.8%
Soup of vegetable, in airtight containers	14%	7%
Soup (other)	16.8%	8.4%
Chewing gum (without added sugar)	8%	5%

(2) The Government of Japan will improve the operation of tariff quota system concerning corn as follows:

	<u>Amount of tariff quotas</u>	<u>Blending ratio</u>	<u>Secondary tariff</u>
JFY 1989	3.25 (MMT)	1:8	70% or ¥ 14/kg. whichever is greater
JFY 1990	3.35 (MMT)	1:8.5	60% or ¥ 13/kg. whichever is greater
JFY 1991	3.45 (MMT)	1:9	50% of ¥ 12/kg. whichever is greater

ATTACHMENT

Measures to Be Taken by the Government of Japan Concerning
Imports of Certain Agricultural Products

I. Seven items to be liberalized (measures on prepared and preserved beef: notified already)

<u>Item</u>	<u>HS code</u>	<u>Termination of import allocation system</u>	<u>Interim import access</u>	<u>Tariff-change</u>	
				<u>Existing tariff rate</u>	<u>Tariff rate after termination of import allocation system unless otherwise specified</u>
1. <u>Processed cheese</u>	0406 ex	1 April 1989	JFY 1988: 500 MT (product weight basis)	35%	JFY 1989: 60%; JFY 1990: 50%; JFY 1991 and thereafter: 40%

Note: Import licences for processed cheese will be available to any importer and not restricted to hotels, ship-chandlers, or Okinawa.

2. Other sugars and sugar
SYRUPS (excluding
lactose)
- | | | | | |
|---|--------------|--|--------|---|
| 1702 ex | 1 April 1990 | JFY 1988: 1,000 MT;
JFY 1989: set access
amount taking into
account situations in
previous year such as
applications for
licences and licence
utilization | 25-35% | Raise existing tariff rates
on following products except
for items that are bound,
to: 70% or ¥ 30/kg.
(whichever is the greater)
in JFY 1990; 60% or
¥ 27.5/kg. (whichever is the
greater) in JFY 1991; and
50% or ¥ 25/kg. (whichever
is the greater) in JFY 1992
and thereafter: |
| .. glucose and glucose syrup
(1702.30-2 ex,
1702.40-2); | | | | |
| .. other fructose and
fructose syrup
(1702.60-2) | | | | |

Measures to Be Taken by the Government of Japan Concerning
Imports of Certain Agricultural Products (cont'd)

<u>Item</u>	<u>HS code</u>	<u>Termination of import allocation system</u>	<u>Interim import access</u>	<u>Existing tariff rate</u>	<u>Tariff-change</u>
3. <u>Fruit purée and paste</u>	2007 ex				
Non-citrus fruit purée and paste	2007 ex	1 October 1988	JFY 1988 first half: 2,000 MT		.. artificial honey (1702.90-2 ex)
Citrus fruit purée and paste	2007 ex	1 April 1990	JFY 1988: 1,000 MT; JFY 1989: 1,000 MT		.. caramel (1702.90-3)
4. <u>Fruit otherwise prepared or preserved</u>	2008 ex				.. other sugar and sugar syrops (1702.90-5-(2) ex)
Apple, grape and peach pulp	2008 ex	1 October 1988	JFY 1988 first half: 2,000 MT		On 1 April 1990, raise tariff on sugar syrup (1702.90-2 ex) to 35% or ¥ 27/kg., whichever is the greater
Citrus fruit pulp	2008.30 ex	1 April 1990	JFY 1988: 1,000 MT; JFY 1989: 1,000 MT		

Measures to Be Taken by the Government of Japan Concerning
Imports of Certain Agricultural Products (cont'd)

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<u>Item</u>	<u>HS code</u>	<u>Termination of import allocation system</u>	<u>Interim import access</u>	<u>Existing tariff rate</u>	<u>Tariff-change</u>	<u>Tariff rate after termination of import allocation system unless otherwise specified</u>
Prepared or preserved pineapples	2008.20	1 April 1990	JFY 1988: 20,413 MT (equal to 1,000,000 cases); JFY 1989: 22,454 MT (equal to 1,100,000 cases)	30% (with added sugar, in airtight containers not more than 10 kg. each including container weight); 55% (with added sugar, other); 55% (with added sugar, other); 55% (without added sugar)	30% (prepared or preserved pineapples, with added sugar, in airtight containers not more than 10 kg. each including container weight. or without added sugar); 55% (with added sugar, other). Tariff quota at 0% (primary tariff for canned pineapples as defined in the Codex Alimentarius Standard for Canned Pineapple, with or without added sugar, packed for final consumption in airtight containers not more than 10 kg. each including container weight, except for "crushed or crisp cut" pineapples falling under 1.3.12 of the Codex Standard)	
5. <u>Non-citrus fruit juices</u>	2009 ex					
Fruit juice for infants (including citrus juice)	2009 ex	1 October 1988	JFY 1988 first half: allocate any amount of licences without limit to meet domestic demand	See Note 1.	Juice tariffs: for apple juice containing added sugar with greater than 10% by weight to sucrose	

Measures to Be Taken by the Government of Japan Concerning
Imports of Certain Agricultural Products (cont'd)

<u>Item</u>	<u>HS code</u>	<u>Termination of import allocation system</u>	<u>Interim import access</u>	<u>Existing tariff rate</u>	<u>Tariff-change</u>	<u>Tariff rate after termination of import allocation system unless otherwise specified</u>
Apple, grape and pineapple juice concentrates (including frozen concentrate or mixed juice concentrates predominantly composed of apple, grape or pineapple juice)	2009 ex	1 April 1990	Apple juice concentrate: JFY 1988: 6,000 MT JFY 1989: 8,000 MT Grape juice concentrate: JFY 1988: 6,000 MT JFY 1989: 8,000 MT Pineapple juice concentrate: JFY 1988: 500 MT JFY 1989: 550 MT	See Note 2.	(2009.70-190), the tariff will be 40% or ¥ 27/kg., whichever is the greater; for apple juice not containing added sugar with greater than 10% by weight of sucrose (2009.70-290), the tariff will be 35%. For other juices and apple juice subject to GATT bindings, there will be no change in the existing tariff.	
Single strength fruit juice (including, <u>inter alia</u> , single strength mixed juice and single strength pineapple juice)	2009 ex	1 April 1990	JFY 1988: 3,000 kl.; JFY 1989: 4,500 kl.	See Note 2.	See immediately above.	
Non-citrus fruit juice concentrates (including frozen concentrate or mixed juice concentrates)	2009 ex	1 April 1989	JFY 1989: 2,700 MT			

Measures to Be Taken by the Government of Japan Concerning
Imports of Certain Agricultural Products (cont'd)

<u>Item</u>	<u>HS code</u>	<u>Termination of import allocation system</u>	<u>Interim import access</u>	<u>Tariff-change</u>	<u>Tariff rate after termination of import allocation system unless otherwise specified</u>
other than those predominantly composed of apple, grape or pineapple juice; also including, <u>inter alia</u> , concentrated berry juice for industrial use)					
6. <u>Tomato juice, tomato ketchup and tomato sauce</u>	2009 ex 2103 ex	1 July 1989	JFY 1988: tomato juice: 6,060 kl. Tomato ketchup and sauce: 6,000 MT	Tomato juice: with added sugar 25%; other 20%; ketchup 20%	Tomato juice: with added sugar 35%; other 25%
7. <u>Food preparations n.e.s. mainly consisting of sugar</u>	2106 ex	1 April 1990	A new planned market access established with a view to improving import access of high-value-added products in containers for retail sale: JFY 1988: 2,000 MT; JFY 1989: access to be increased taking into account the factors in the previous year such as applications for licences, rate of actual usage, etc.	35%	Same as existing tariff, except that the tariff concession on other food preparations n.e.s. (2106.90-4.(1), statistical number 419 ex) that contain 85% or more of sugar by weight and which are not included in the categories specified in the "Interim Import Access" column will be withdrawn in accordance with Article XXVIII of the GATT and the existing tariff rate will be raised

Measures to Be Taken by the Government of Japan Concerning
Imports of Certain Agricultural Products (cont'd)

<u>Item</u>	<u>HS code</u>	<u>Termination of import allocation system</u>	<u>Interim import access</u>	<u>Existing tariff rate</u>	<u>Tariff-change</u>	<u>Tariff rate after termination of import allocation system unless otherwise specified</u>
			In order to improve import access for high-value-added products, this new market access applies to products in the following categories:			on 1 April 1990 to 35% or ¥ 90/kg., whichever is the greater, except that the tariff of products in containers of 500 gr. or for retail sale (including container weight) (2106.90.4.(1), statistical number 419 ex) will be reduced on 1 April 1990 to 30%.
			- products containing less than 65% by weight of sugar;			
			- products in containers of 500 gr. or less (including container weight) for retail sale, containing not less than 65% sugar by weight (including products that could be certified as imported to be repacked after importation with no change in ingredients); and			
			- other products deemed to be high-value-added products.			

NOTE 1:

Containing added sugar	Not more than 10% by weight of sucrose	Orange Other	30% 27%
	Other		35% or ¥ 27/kg.
Not containing added sugar	Not more than 10% by weight of sucrose	Orange Other	25% 22.5%
	Other		30%

NOTE 2:

Containing added sugar	Not more than 10% by weight of sucrose		27%
	Other		35% or ¥ 27/kg.
Not containing added sugar	Not more than 10% by weight of sucrose		22.5%
	Other		30%

II. Dairy products

1. Items to be liberalized

<u>Item</u>	<u>HS code</u>	<u>Termination of import allocation system</u>	<u>Interim import access</u>	<u>Existing tariff rate</u>	<u>Tariff rate after termination of import allocation system unless otherwise specified</u>
Frozen yoghurt	0403.10 ex	1 April 1990	JFY 1988: 200 MT (product weight basis) JFY 1989: 300 MT (product weight basis)	35% (containing added sugar) 25% (other)	35%
Whipped cream in pressurized containers	0402.99-010 ex 1901.90-112 ex	1 April 1990	JFY 1989: 50 MT (product weight basis; access subject to resolution of technical discussions on propellant gas and containers)		
Stuffed pasta	1902.20 ex	1 October 1988			
Other pasta	1902.30 ex	1 October 1988			

TARIFF-CHANGE

<u>Item</u>	<u>HS code</u>	<u>Termination of import allocation system</u>	<u>Interim import access</u>	<u>Existing tariff rate</u>	<u>Tariff rate after termination of import allocation system unless otherwise specified</u>
Ice cream	2105	1 April 1990	JFY 1988: 100 MT (product weight basis)		
			JFY 1989: 110 MT (product weight basis)		
Protein concentrates	2106.10 ex	1 April 1990	JFY 1988: 150 MT (product weight basis)		
			JFY 1989: 300 MT (product weight basis)		

NOTE: Protein concentrates containing not less than 80% by weight of protein, the largest single ingredient of which is vegetable protein by weight, in containers for retail sale of less than 500 gr.

2. To improve import access

<u>Products</u>	<u>JFY</u>	<u>Access (MT)</u>
Prepared whey for infant formula (HS Code 0404 ex)	1988	15,000
	1989	17,000
	1990	19,000
Whey powder for animal feed (HS Code 0404 ex)	1988	30,000
	1989	33,000
	1990	36,000
Mineral concentrated whey* (HS Code 0404 ex)	1988	4,000
	1989	6,000
	1990	8,000
Other dairy-based products (HS Code 0401 ex, 0402 ex, 0403 ex, 0404 ex, 1702 ex, 1901 ex, 1902 ex, 2101 ex, 2105, 2106 ex)	1988	56,000**
	1989	66,000**
	1990	76,000**

NOTE: * "Mineral concentrated whey" shall contain 15 per cent or more ash, less than 75 per cent lactose, less than 10 per cent protein, and less than 2 per cent milk fat.

** Whole milk equivalent

III. Starch and inulin

Import access level from JFY 1988 to JFY 1990: 150,000 MT/JFY.

IV. Dried leguminous vegetables

1. Items to be liberalized

<u>Item</u>	<u>HS Code</u>	<u>Termination of import allocation system</u>
Chick-peas	0713.20 ex	1 October 1988
Lentils	0713.40 ex	1 October 1988

2. Minimum import access level from JFY 1988 to JFY 1990:
120,000 MT/JFY.

V. Groundnuts

1. Minimum import access level:

JFY 1988 - 60,000 MT
JFY 1989 - 66,000 MT
JFY 1990 - 75,000 MT

(Figure in JFY 1990 subject to review based on demand and supply situation.)

2. Groundnuts for peanut butter

With regard to non-Virginia type groundnuts certified as for the manufacture of peanut butter, import licences will be issued without limit to meet any amount of domestic demand for peanut butter from the second half of JFY 1988. Such licences are to be in addition to the import access level in paragraph 1 above.

VI. Other reductions of tariffs

1. The Government of Japan will reduce the tariff rates on the following items by 1 April 1989 subject to necessary domestic procedures.

<u>HS code</u>	<u>Items</u>	<u>Current rate</u>	<u>New rate</u>
1005.90 ex	Popcorn (maize which is explosive with heating under normal air pressure)	¥ 15/kg. tariff quota at 0% primary tariff	0% ¹
1702.50	Chemically pure fructose	12.8%	9%
1806.20-110 ex 1806.20-190 ex	Cocoa preparations of HS 1806.20-110 and HS 1806.20-190 excluding chewing gum, other sugar confectionery and cocoa preparations in blocks, slabs and paste	35%	28%
1904.10 ex	Breakfast cereals ²	19.2%	15.4%
2008.19-221 ex	Roasted macadamia nuts	8%	5%
2008.19-223	Roasted pecan nuts	10.2%	5%
2008.19-226 ex	Roasted nuts n.e.s. other than ginkgo nuts	12.8%	6%
2008.20-200	Pineapples, prepared or preserved (without added sugar)	55%	Reduce tariff rate to 30% on 1 April 1990. Tariff quota at 0% (primary tariff for canned pineapples as defined in the Codex Alimentarius Standard for Canned Pineapple, with or without added sugar, packed

¹The requirement that duty-free imports of popcorn be popped in a Firm equipped for the manufacture of popped corn will no longer apply as of 1 April 1989.

²Excluding grains of rice, wheat, barley and triticale which are simply swelled or roasted such as puffed rice, irigome, or irimugi.

<u>HS code</u>	<u>Items</u>	<u>Current rate</u>	<u>New rate</u>
2008.20-200 (cont'd)			for final consumption in airtight containers not more than 10 kg. each including container weight, except for "crushed or crisp cut" pineapple falling under 1.3.12 of the Codex Standard) on and after 1 April 1990.
2008.99-211 ex	Bananas and avocados in pulp form, with added sugar	35%	30%
2008.99-221 ex	Bananas and avocados in pulp form, without added sugar	25%	20%
2008.99-222 ex	Prunes in pulp form (without added sugar)	25%	20%
2103.90-110	Mayonnaise	16%	12.8%
2104.10-010	Soup of vegetable, in airtight containers	14%	7%
2104.10-020	Soup (other)	16.8%	8.4%
2106.90-200	Chewing gum	8%	5%

2. The Government of Japan will improve the operation of tariff quota system concerning corn as follows:

	<u>Amount of tariff quotas</u>	<u>Blending ratio</u>	<u>Secondary tariff</u>
JFY 1989	3.25 (MMT)	1:8	70% or ¥ 14/kg. whichever is greater
JFY 1990	3.35 (MMT)	1:8.5	60% or ¥ 13/kg. whichever is greater
JFY 1991	3.45 (MMT)	1:9	50% or ¥ 12/kg. whichever is greater