

GENERAL AGREEMENT ON

RESTRICTED

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TARIFFS AND TRADE

Limited Distribution

COUNCIL
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JAPAN - RESTRICTIONS ON IMPORTS OF CERTAIN AGRICULTURAL PRODUCTS

Follow-up on the Panel report

Communication from the United States

The following communication, dated 23 January 1991, has been received from the Office of the United States Trade Representative with the request that it be inscribed on the Agenda of the Council meeting on 6 February.

Contracting parties will recall that at its February 1988 meeting, the Council adopted a Panel report (L/6253) concerning the GATT conformity of Japan's import quotas on twelve categories of agricultural products. In September 1988, Japan notified contracting parties of measures it was undertaking to implement the Panel report and bring its policies into GATT conformity (L/6389).

The United States Government requests that the Government of Japan report on the status of implementation for all products covered by the Panel report.

With regard to two categories of import restrictions, those on dairy products and starch, Japan indicated that as compensation it would provide minimum annual access through 31 March 1991 since it could not then bring its policies into compliance with the General Agreement.

This compensation, as is true for all compensation under Article XXIII in connection with a panel report, does not eliminate Japan's obligation to withdraw the remaining GATT-inconsistent restrictions. As stated in Paragraph 4 of the Annex to the 1979 Understanding on Dispute Settlement (L/4907): "The provision of compensation should be resorted to only if the immediate withdrawal of the measure is impracticable and as a temporary measure pending the withdrawal of the measures which are inconsistent with the General Agreement." Thus, as of 31 March 1991 Japan ought not to have any measures inconsistent with the Agricultural Products Panel report.

As that date is fast approaching, the Government of the United States requests information from the Government of Japan as to what its intentions are with respect to these remaining import restrictions.