

# GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

W.24/4

13 November 1967

Limited Distribution

CONTRACTING PARTIES  
Twenty-Fourth Session

Original: English

## PROGRAMME FOR EXPANSION OF INTERNATIONAL TRADE

### Statement by the Representative of Japan on 10 November 1967

In the twenty years since its inception, the GATT has played a major rôle in the liberalization of world trade, culminating in the massive success of the Kennedy Round. As a major trading nation, Japan has steadfastly supported the principles and activities of the GATT. There are problems which still remain unsettled however, and particularly in the face of the recent widespread tendency for regionalism, we believe that it is incumbent on the GATT to pursue its dynamic efforts for achieving free trade based on globalism. From this point of view, the GATT must aim at further reduction of trade barriers with a view to completely eliminating them ultimately.

Naturally, we realize that the utopia of world trade free from all types of restrictions may not be achieved in a single day, and that in fact pragmatic steps should be taken. In this connexion, we share the view that it is timely for the GATT to review its past activities and to establish long-term perspectives for the future.

It is the view of my Government that the first task of the GATT at present is to fully execute and to consolidate the results of the Kennedy Round. My Government is now making necessary internal arrangements for the implementation of the Kennedy Round commitments which we intend to implement from 1 July 1968. We do not doubt that all other nations will also take the necessary steps to meet their commitments. We note with apprehension however, that recently in one of our major trading partners, a wave of protectionism has arisen. In the unfortunate case that such movements are translated into actual measures, it is feared that the Kennedy Round achievements would be largely nullified and the foundation of the GATT be jeopardized.

With regard to the future work of the GATT, while we recognize that no one is ready to initiate major negotiations in the immediate future so soon after the completion of the Kennedy Round, we do feel that it would be useful to start a preparatory study for future negotiations.

./:

The Director-General has made a series of suggestions with regard to tariffs on industrial products in document L/2893. In the opinion of my Government, they are all worthy of careful study. But on this occasion we wish to offer some preliminary comments which we hope are pertinent. Regarding the elimination of very low duties, my Government takes the view that it will not be appropriate to generalize that very low duties are all nuisance tariffs. As far as the proposed sector approach is concerned, we must point out that the balance of benefits should be taken into consideration and that this approach should not be used for introducing new restrictive measures. That being said, we would like to summarize the position of my Government that it will be useful at this time to begin factual study of all aspects of tariff problems.

Important suggestions have also been made by the Director-General with respect to trade in agricultural products which are contained in document L/2860. Among other things, he has proposed the revitalization of Committee II. My Government would not oppose this suggestion but it would emphasize that Committee II should for the time being concentrate its efforts on the analysis of the present situation of agricultural products concerned and on assembling relevant data without involving any elements of negotiations and confrontation.

It has been suggested by the Director-General that the future work of the GATT should also cover the field of non-tariff barriers, and in this connexion he has proposed that we should in the first instance attempt to identify the non-tariff barriers. My Government fully supports this proposal. Indeed this is one of the areas where the Kennedy Round has been less successful. There are non-tariff barriers, notably discriminatory import practices against Japan, which Japan had hoped would have been removed as a result of the Kennedy Round. On account of lack of time we have failed to deal with them in the Kennedy Round. At any rate I would make it known that my Government favours the initiation of study and that we should first start by drawing up an inventory.

To sum up, Mr. Chairman, my Government attaches greatest importance to the advance of free trade on a global basis, and it looks to the GATT for attaining this objective. Accordingly, my Government by and large agrees with the suggestion that preparatory study should be initiated in the GATT in both industrial and agricultural sectors and in the field of non-tariff barriers without committing the position of the respective governments.