

WORLD TRADE ORGANIZATION

G/SCM/Q2/JPN/33
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**Committee on Subsidies
and Countervailing Measures**

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SUBSIDIES

Questions Posed by AUSTRALIA Regarding the Updating and New and Full Notification of JAPAN¹

The following communication, dated 9 September 2002, has been received from the Permanent Mission of Australia.

Australia submits the following questions with respect to Japan's new and full notification contained in documents G/SCM/N/71/JPN and G/SCM/N/48/JPN/Suppl.1, G/SCM/N/71/JPN/Suppl.1.

DOCUMENT G/SCM/N/71/JPN

61. Tax Measures to Strengthen the Management of Small- and Medium-sized Corporation

How is it determined who receives a tax benefit? Is it restricted to the cheese, polished barley and wheat flour industries?

62. Tax Credit When Import of Products Increases

How is the increase of imports "more than 5 per cent" determined? What is this percentage based on?

Which are the main manufactured products on which tax credits have been claimed?

64. Special Depreciation on Certain Machinery Used for High-Technology Industries in the area of accumulating High-Technology Manufacturing Industry ("Technopolis")

Is this depreciation on certain machinery contingent on the use of domestic goods?

65. Special Depreciation on Machinery (Related to the Law of Special Measures to Revitalize Industry)

How is it determined whether special depreciation on machinery applies? We note the main industries for which production data are provided. Is it restricted to certain industry sectors (could it apply to other sectors)?

¹ G/SCM/N/71/JPN, G/SCM/N/48/JPN/Suppl.1 and G/SCM/N/71/JPN/Suppl.1.

Are there types of machinery which qualify for the special depreciation specified or does it apply on a sector-specific basis?

96. Grant for Promotion of Research and Development of Future Ships

How are the grants determined under this programme? What are the criteria for eligibility? Who receives the grants (for example, manufacturers or research institutes)?

DOCUMENT G/SCM/N/48/JPN/Suppl.1, G/SCM/N/71/JPN/Suppl.1

5. Subsidy for Promoting the Textile Industry

The policy objective of this programme is to “help small and medium local companies to enter new fields or value-added products using local or traditional technologies in order to build up internal development processes”. What are the criteria for receiving a grant? Is it dependant on the use of domestic goods?
