

Original: English

HUNGARY - EXPORT SUBSIDIES IN RESPECT OF  
AGRICULTURAL PRODUCTS

Request to Join Consultations

Communication from Japan

The following communication, dated 12 April 1996, from the Permanent Mission of Japan to the Permanent Mission of Hungary and to the Dispute Settlement Body, is circulated in accordance with Article 4.11 of the DSU.

\_\_\_\_\_

Upon instructions from my authorities, I hereby notify that the Government of Japan, pursuant to paragraph 11 of Article 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes, desires to be joined in the consultations under Article XXII of the GATT 1994, requested by Argentina, Australia, Canada, New Zealand, Thailand and the United States in regard to the export subsidies that the Government of Hungary provides with respect to agricultural products, in light of the substantial trade interest of Japan in this matter. Such request was circulated on 2 April 1996 in document WT/DS35/1.

Japan has a serious concern over the said subsidies, which are not in conformity with the commitments specified in Hungary's Schedule, and thus are in violation of both paragraph 3 of Article 3 of the Agreement on Agriculture and of the Marrakesh Protocol to the General Agreement on Tariffs and Trade 1994. Japan, as the world's largest net importer of agricultural products, will inevitably incur a great deal of adverse influence from these measures, since the export subsidies in agricultural products are without doubt most trade distortive and market disruptive, and thus it has a substantial trade interest in this case.