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**Collection:** Driggs, Michael A.: Files  
**Folder Title:** Japan: Japan's Trade Announcement  
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*Last updated: 03/03/2023*

Continued from previous folder

Medical Equipment/Pharmaceuticals

- |    |   |   |
|----|---|---|
| o  | Approval of medical devices and pharmaceuticals based on acceptance of all foreign test data, including tests on humans                                   | For drugs - No;<br>for devices - yes in principle |
| o  | Speedy approval of chemicals that perform diagnostic tests outside the body   | Awaiting Response                                 |
| o  | Adoption of a notification only system for:<br>- minor products modifications,<br>- change in country of manufacture;<br>- change of address of importer. | Awaiting Response<br>No<br>Awaiting Response      |
| o  | Removal of restrictions on the transfer of pharmaceutical manufacturing licenses  | No  |
| o  | Allow applicant to present its own case before the new drug review committee  | No  |
| -- | Delegate authority to customs officials to approve and clear goods  | Awaiting Response                                 |

Forest Products

- |   |   |  |
|---|---|--|
| o | Elimination or at least substantial reduction of Japanese tariffs on veneers, softwood plywood and particleboard by a date certain.                           | No   |
| o | Elimination or at least substantial reduction of Japanese tariffs on laminated beams and lumber, pine lumber, medium density fiberboard and mouldings.        | No   |
| o | Retrenchment of Japan's plywood industry under Japan's depressed industry cartel law so that it cannot be used to sustain unneeded Japanese plywood capacity. | No change to current depressed industry plan for plywood.                |
| o | Full acceptance of U.S. softwood plywood characteristics in Japanese standards for structural plywood.  | U.S. characteristics accepted only in certain cases (classes of plywood) |
| o | U.S. industry involvement in the development of Japanese standards for structural particleboard.  | No standard yet. We seek involvement in drafting it.                     |
| o | Acceptance of U.S. inspection and certification that our products comply with Japanese lumber and plywood standards.  | No   |
| o | Elimination or at least substantial reduction of Japanese tariffs on all pulp, paper and board products.  | No   |

### Electronics

- |   |   |
|---|---|
| -- Adoption of Semiconductor Chip Protection Bill.  | Acceptable GOJ bill likely to pass soon                                 |
| -- Full U.S. participation in preparation of industrial standards.  | Not yet addressed   |
| -- Acceptance of U.S. test data.  | Not yet addressed   |
| -- Copyright protection of software   | Bill going to Cabinet some technical problem; esp. "innocent infringer" |
| -- More rapid patent issuance with protection of information.   | No response   |
| -- U.S. company participation in GOJ-sponsored R&D projects with access to resulting patents know how.  | Not yet addressed   |
| -- Elimination of Japanese tariffs on electronics goods notably computer parts and test equipment.  | MITI has proposed mutual elimination of tariffs on electronics products |
| -- Streamlining customs procedures for electronics goods.   | Not   |
| -- Revision of foreign exchange controls making it difficult for Japanese companies to upgrade electronics products with new models from the U.S. | Not yet addressed   |

Medical Equipment/Pharmaceuticals

- |    |   |   |
|----|---|---|
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| o  | Adoption of a notification only system for:<br>- minor products modifications,<br>- change in country of manufacture;<br>- change of address of importer. | Awaiting Response<br>No<br>Awaiting Response      |
| o  | Removal of restrictions on the transfer of pharmaceutical manufacturing licenses  | No  |
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| -- | Delegate authority to customs officials to approve and clear goods  | Awaiting Response                                 |

### Forest Products

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- o Full acceptance of U.S. softwood plywood characteristics in Japanese standards for structural plywood. U.S. characteristics accepted only in certain cases (classes of plywood)
- o U.S. industry involvement in the development of Japanese standards for structural particleboard. No standard yet. We seek involvement in drafting it.
- o Acceptance of U.S. inspection and certification that our products comply with Japanese lumber and plywood standards. No
- o Elimination or at least substantial reduction of Japanese tariffs on all pulp, paper and board products. No

### Electronics

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- Acceptance of U.S. test data. Not yet addressed
- Copyright protection of software Bill going to Cabinet some technical problem; esp. "innocent infringer"
- More rapid patent issuance with protection of information. No response
- U.S. company participation in GOJ-sponsored R&D projects with access to resulting patents know how. Not yet addressed
- Elimination of Japanese tariffs on electronics goods notably computer parts and test equipment. MITI has proposed mutual elimination of tariffs on electronics products
- Streamlining customs procedures for electronics goods. Not
- Revision of foreign exchange controls making it difficult for Japanese companies to upgrade electronics products with new models from the U.S. Not yet addressed



GMK 531-4

対外経済対策に関する内閣総理大臣談話

(昭和六十年四月九日(火))

秘 期 限

4/9 1:40 版

(一) 戦後四十年を経て、我が国は経済力では世界の一流国家にまで発展してきました。これは、この間における国民の英知と努力の成果であると同時に、IMF・GATT体制を主軸とする自由貿易体制の恩恵を最大限に享受してきた結果でもあります。

しかしながら、今日、世界経済には、高水準の失業等にみられる構造調整の遅れや大幅な経常収支不均衡を背景として、かつてないほどの保護貿易主義の高まりがみられ、自由貿易体制が揺らいでおります。技術革新の大きなうねりに乗って、世界経済は新たな発展の時代を迎えようとしています。保護主義の台頭はこの新たな発展の芽を摘みとつてしまうおそれがあります。自由貿易体制を強化し、世界経済の新たな発展を先導していくために、我が国は世界経済の一流国家にふさわしい大きな役割を果たす必要があります。

(二) 本日、政府は、民間の有識者から構成される「対外経済問題諮問委員会」から、我が国経済の一層の国際化を進めるための中期的政策提言等について報告を受けるとともに、対外経済対策を決定いたしました。

諮問委員会報告につきましては、政府としてその政策提言を最大限尊重して実施に移していきたいと考えております。

特に、市場アクセスの改善については、「原則自由、例外制限」の基本的視点に立ち、「例外」の内容も必要最小限のものに限定するとの提言を受け入れ、政府の介入をできるだけ少なくし、「消費者の選択と責任にゆだねる」という方針の下に、できる限り早期にそのためのアクション・プログラムを策定し、遅滞なく実施してまいります。

(三) 本年一月の日米首脳会談の合意に基づき、日米間で続けられている電気通信、エレクトロニクス、医薬品・医療機器、林産物の四分野の協議については、我が国としては真剣に取り組んでまいりました。

電気通信につきましては、本年四月一日から日本電信電話公社の民営化及び電気通信事業の自由化が実施に移されました。また、端末機器の技術基準については、大幅な簡素化を図るほか、基準等の作成に当たっては、電気通信審議会への外資系企業関係者の参加等により、透明性を確保することといたしました。二十一世紀に向けて経済発展を先導する最も先端的な分野の自由化を実現したことは、我が国としても画期的な措置であり、世界の貿易や技術交流の拡大に大きく貢献するものと信じております。

エレクトロニクス分野につきましては、半導体チップの権利保護に関する法律案及びコンピュータ・プログラムの権利保護に関する著作権法改正案を閣議決定し、知的所有権の適切な保護を確保することといたしました。また、本年三月一日から半導体関税を日米間で相互に撤廃したのに続き、今後、このような関税の

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相互徹底の考え方をエレクトロニクス分野において拡大していく方向で、米國を始めとする先進各國と協議してまいります。

医薬品・医療機器につきましては、人種差に関係のない医療機器や体外診断薬の承認審査に際し、外国臨床試験データを受け入れることを決定しました。今後、さらに、承認・許可手続等の一層の簡素化・迅速化を進めてまいります。

林産物につきましては、……………

以上の四分野における協議は、米國との間で行われたものでありますが、その成果は米國のみならず世界中に均霑するものであります。

(四) 次に、その他の対策につきましては、米國以外の先進國及び我が國と密接な関係を有するアジア諸國等の開発途上國に対しても十分配慮を払つてまいります。特に、個別品目の関税引下げに係る決定につきましては、本年前半中に行うこととしております。また、基準・認証、輸入検査手続等の一層の改善を進めるとともに、製品輸入及び投資交流の促進を図つてまいります。

金融・資本市場の自由化及び円の国際化につきましては、今後の展望を明らかにしつつ、日米円・ドル委員会の合意にも沿つて、進めてまいりましたが、今後とも着実な推進を図つてまいります。

また、政府開発援助につきましては、昭和六十一年以降も新たな中期目標を設定し、引き続きODAの着実な拡充に努め、併せて質の面でも可能な限りの改善に努めてまいります。

(五) 本日決定した以上の措置は、対外経済問題諮問委員会における審議、諸外國の要請等を踏まえて集中的な検討を行つた結果であり、国内的諸困難を乗り越えて決定したものであります。もとより、政府としては、今後とも、内需中心の経済成長に努める一方、我が國市場へのアクセスの一層の改善と積極的な輸入の促進を図ることにより、貿易の拡大均衡を目指す所存であります。特に、行政手続を始めとする国内諸制度について、簡素、透明、内外無差別、市場開放の観点から常に見直しを行い、自由で開放的な国際経済システムの中で主導的役割を果たしていかなばならない我が國にふさわしいものに改善する努力を払つてまいりたいと考えております。

また、こうした過程で場合によつては生じることとなる困難な国内問題については、我が國経済の存立の基礎である自由貿易体制の維持・強化のためには責任とコストを負担するとの立場に立つて積極的に取り組んでいかなばならないと考えます。ガットの新一轮の推進に当たつても、こうした観点から一層の努力を払つてまいります。

(六) 私は國民の皆様には訴えたいと思います。戦後、長く我が國は輸出の増進をもつて重要な対外経済施策としてきました。しかし、輸出の増進は、國民経済を豊かにする一手段にすぎません。輸入を促進し、選択の幅を拡大することも、また國民経済を豊かにする手段であります。

國民各位におかれては、自分自身の生活を豊かにするため、産業界の方々におかれては、より良い品質の物をより安いコストで活用し得る可能性を高めるため、

外国製品を進んで受け入れられることを願います次第であります。

最後に私は国際社会に訴えたいと思います。世界が続いている発展と繁栄を将来の世代に引き継ぐことができるか否かは、現在の我々の決断にかかっております。日本は、その経済力にふさわしい役割と責任を果たします。国際社会が保護貿易の誘惑に屈することなく、自由に拡大する交流と協力により、更に安定と繁栄の道を歩み続けることを強く希望してやみません。

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WHITE HOUSE SITUATION ROOM

PAGE 01 OF 04 TOKYO 7161  
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WHITE HOUSE SITUATION ROOM DELIVER TO JACK SPAHN  
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E.O. 12356: DECL: MAY 9, 1985

TAGS: ETRD, JA

SUBJECT: ECONOMIC MEASURES BY JAPAN: RECENT DECISIONS  
AND POLICY ORIENTATIONS

1. ~~CONFIDENTIAL~~ - ENTIRE TEXT.

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## WHITE HOUSE SITUATION ROOM

PAGE 02 OF 04 TOKYO 7161

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2. FOLLOWING IS TENTATIVE AND PROVISIONAL TEXT OF JAPAN'S APRIL 9, 1985 ECONOMIC MEASURES PAPER ON "RECENT DECISIONS AND POLICY ORIENTATIONS TOWARD THE FUTURE." THIS VERSION MAY BE SLIGHTLY CHANGED IN THE COURSE OF CORRECTING THE TRANSLATION AND IS EMBARGOED UNTIL 6:00 PM APRIL 9 TOKYO TIME. AN ACCOMPANYING "PROGRESS REPORT" IS BEING SENT SEPTEL. A STATEMENT BY THE PRIME MINISTER IS STILL IN PREPARATION AND WILL BE SENT WHEN AVAILABLE. -BEGIN TEXT.

### 3. EXTERNAL ECONOMIC MEASURES

RECENT DECISIONS AND POLICY ORIENTATIONS TOWARD THE FUTURE  
MINISTERIAL CONFERENCE FOR ECONOMIC MEASURES  
APRIL 9, 1985

- IN VIEW OF THE RECENT DEVELOPMENTS SURROUNDING US AND THE POSITION WE OCCUPY IN THE WORLD ECONOMY, IT IS OUR IMPORTANT RESPONSIBILITY TO SEEK AN ACHIEVEMENT OF ECONOMIC GROWTH LED BY DOMESTIC DEMAND AND TO MAKE VIGOROUS EFFORTS FOR THE MAINTENANCE AND STRENGTHENING OF THE FREE TRADING SYSTEM, THE PROMOTION OF HARMONIOUS EXTERNAL ECONOMIC RELATIONS AND THE VITALIZATION OF THE WORLD ECONOMY.

- IT IS WITH THIS PERSPECTIVE THAT WE HAVE IMPLEMENTED A SERIES OF EXTERNAL ECONOMIC MEASURES. THE GOVERNMENT HAS JUST RECEIVED A REPORT FROM THE ADVISORY COMMITTEE FOR EXTERNAL ECONOMIC ISSUES COMPOSED OF INFORMED PEOPLE IN THE PRIVATE SECTOR. THE COMMITTEE REPORT GIVES A COMPREHENSIVE EVALUATION OF THE MEASURES TAKEN SO FAR AND EXAMINES THE MEDIUM-TERM ISSUES TO BE CONSIDERED IN OUR FUTURE EXTERNAL ECONOMIC POLICY.

- THE GOVERNMENT HAS TAKEN THIS REPORT INTO CONSIDERATION TO THE FULLEST EXTENT POSSIBLE IN VIEW OF

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WHITE HOUSE SITUATION ROOM

PAGE 03 OF 04 TOKYO 7161

DTG: 090751Z APR 85 PSN: 017611

THE DIFFICULT INTERNATIONAL ENVIRONMENT PRESENTLY SURROUNDING THE JAPANESE ECONOMY, AND, WHILE SEEKING TO TACKLE EXTERNAL ECONOMIC ISSUES FROM THE MEDIUM-TERM VIEWPOINT IN ORDER TO DISCHARGE JAPAN'S RESPONSIBILITIES, IT HAS RECOGNIZED THE IMPORTANCE OF CARRYING OUT THE MEASURES MORE FORCEFULLY FOR THE IMPROVEMENT OF MARKET ACCESS, ENCOURAGEMENT OF IMPORTS, LIBERALIZATION OF FINANCIAL AND CAPITAL MARKETS, INCREASED ECONOMIC ASSISTANCE, PROMOTION OF MUTUAL INVESTMENT, ETC. IT HAS ACCORDINGLY DECIDED UPON THE FOLLOWING AS MEASURES TO BE IMPLEMENTED IN THE PRESENT CONTEXT.

1. RESPONSE TO THE REPORT OF THE ADVISORY COMMITTEE FOR EXTERNAL ECONOMIC ISSUES

1. IN MANAGING ITS POLICIES TOWARD THE FUTURE, THE MEDIUM-TERM POLICY RECOMMENDATIONS PUT FORWARD IN THE REPORT OF THE ADVISORY COMMITTEE FOR EXTERNAL ECONOMIC ISSUES WILL BE TAKEN INTO FULL CONSIDERATION BY THE GOVERNMENT. THESE INCLUDE RECOMMENDATIONS FOR THE FURTHER IMPROVEMENT OF MARKET ACCESS, SUSTAINED ECONOMIC GROWTH LED BY DOMESTIC DEMAND, INCREASED INVESTMENT AND INDUSTRIAL COOPERATION AS WELL AS MEASURES TOWARD THE DEVELOPING COUNTRIES.

2. THE ACTION PROGRAM FOR IMPROVING MARKET ACCESS WHICH WAS INCLUDED IN THESE RECOMMENDATIONS WILL BE PREPARED AND IMPLEMENTED ALONG THE FOLLOWING BASIC GUIDELINES.

(1) THE GOVERNMENT WILL PREPARE AN ACTION PROGRAM AS PROPOSED IN THE REPORT OF THE ADVISORY COMMITTEE FOR EXTERNAL ECONOMIC ISSUES AND FOLLOW UP ITS IMPLEMENTATION.

(2) THE ACTION PROGRAM WILL, IN PRINCIPLE, BE IMPLEMENTED

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PAGE 04 OF 04 TOKYO 7161

DTG: 090751Z APR 85 PSN: 017611

FOR A PERIOD UP TO THREE YEARS. IT WILL BE DRAWN UP AS  
SOON AS POSSIBLE, AND ITS OUTLINE WILL BE DECIDED BY JULY  
THIS YEAR.

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PAGE 01 OF 04 TOKYO 7161  
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(3) IN PREPARING THE ACTION PROGRAM AND FOLLOWING UP ITS  
IMPLEMENTATION, OPINIONS OF INFORMED PEOPLE AT HOME AND  
ABROAD WILL BE HEARD AS PART OF AN EFFORT TO ENSURE  
TRANSPARENCY.

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PAGE 02 OF 04 TOKYO 7161

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II. IMMEDIATE MEASURES AND POLICY PROGRAM

1. IMPROVEMENT OF MARKET ACCESS AND ENCOURAGEMENT OF IMPORT

(1) REDUCTION OF TARIFF RATES, ETC.

1) JAPANESE TARIFF LEVELS ARE ALREADY LOWER THAN THOSE OF OTHER COUNTRIES DUE TO SUCH FACTORS AS REDUCTION OF TARIFF RATES BY SUCCESSIVE EXTERNAL ECONOMIC MEASURES. MEASURES SUCH AS REDUCTION OF TARIFF RATES ON CERTAIN ITEMS. ADVANCED IMPLEMENTATION OF STAGED REDUCTION OF TARIFF RATES IN THE TOKYO ROUND AGREEMENTS, AND IMPROVEMENTS IN THE GENERALIZED SYSTEM OF PREFERENCES, ALL OF WHICH WERE ANNOUNCED LAST YEAR, HAVE BEEN IMPLEMENTED SINCE APRIL 1 THIS YEAR. FURTHERMORE, IN ACCORDANCE WITH AN AGREEMENT BETWEEN JAPAN AND THE U. S. A., MUTUAL ELIMINATION OF TARIFFS ON SEMICONDUCTORS HAS BEEN IMPLEMENTED SINCE MARCH 1 THIS YEAR.

2) (OMITTED IN TEXT)

3) DECISION ON REDUCTION OF TARIFF RATES ON OTHER ITEMS WILL BE MADE WITHIN THE FIRST HALF OF THIS YEAR.

(2) IMPROVEMENT OF STANDARDS AND CERTIFICATION SYSTEMS AND IMPORT TESTING PROCEDURES, ETC.

1) IN ORDER TO CONTRIBUTE TO THE IMPROVEMENT OF STANDARDS AND CERTIFICATION SYSTEMS, THE GOVERNMENT WILL CONTINUE ITS REVIEW ON AND ENDEAVOR FOR THE IMPROVEMENT OF THE ACTUAL STATE OF IMPLEMENTATION (OF) THE MEASURES OF MARCH 26, 1983, TAKEN BY THE LIAISON AND COORDINATION HEADQUARTERS ON STANDARDS AND CERTIFICATION SYSTEMS, ETC.

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PAGE 03 OF 04 TOKYO 7161

DTG: 090751Z APR 85 PSN: 017613

- 2) WHEN PHARMACEUTICALS AND MEDICAL EQUIPMENTS ARE SUBMITTED FOR THE EXAMINATION FOR APPROVAL UNDER THE PHARMACEUTICAL AFFAIRS LAW, FOREIGN CLINICAL TEST DATA SHALL BE ACCEPTED FOR MEDICAL EQUIPMENTS AND EXTRACORPOREAL DIAGNOSTIC AGENTS WHICH ARE IMMUNE TO ETHNIC-BASED PHYSIOLOGICAL DIFFERENCES. ALSO, IN ORDER TO ENSURE TRANSPARENCY OF THE PROCESS OF THE EXAMINATION FOR APPROVAL, FIRMS APPLYING FOR APPROVAL, INCLUDING FOREIGN FIRMS, SHALL BE GIVEN OPPORTUNITIES TO HEAR INSTRUCTIONS DIRECTLY FROM AND EXPLAIN THEIR PRODUCTS TO THE CENTRAL PHARMACEUTICAL AFFAIRS COUNCIL.

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- 3) STANDARDS AND CERTIFICATION SYSTEMS AND IMPORT TESTING PROCEDURES FOR INDIVIDUAL ISSUES WILL BE FURTHER IMPROVED, AND PASSAGE OF HIGH-CUBE CONTAINERS WILL BE PERMITTED UNDER CERTAIN CONDITIONS. (SEE APPENDIX)

(3) ENCOURAGEMENT OF MANUFACTURED IMPORTS

- THE JAPANESE ECONOMY CANNOT ATTAIN FURTHER DEVELOPMENT WITHOUT INCREASE IN IMPORTS FROM ABROAD INCLUDING MANUFACTURED GOODS. ENCOURAGING IMPORTS INCLUDING MANUFACTURED GOODS IS INDISPENSABLE FOR ACHIEVING BALANCED TRADE EXPANSION AND THE HARMONIOUS FORMATION OF EXTERNAL ECONOMIC RELATIONS AND IS IMPORTANT IN INTERNATIONALIZING THE JAPANESE ECONOMY.

- FOR THESE PURPOSES, THE GOVERNMENT HAS BEEN MAKING SUCH EFFORTS AS PROMOTING UNDERSTANDING OF THE GENERAL PUBLIC ON IMPORTED GOODS AS WELL AS PROVIDING RELEVANT INFORMATION TO THEM, INCREASING OPPORTUNITIES FOR FOREIGN FIRMS TO EXPORT MANUFACTURED GOODS TO JAPAN, IMPROVING IMPORT CONDITIONS THROUGH IMPORT FINANCE BY EXPORT-IMPORT BANK OF JAPAN, ETC. IN VIEW OF THE PRESENT SITUATION, THE GOVERNMENT WILL FURTHER STRENGTHEN AND EXPAND THE

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PAGE 04 OF 04 TOKYO 7161

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VARIOUS MEASURES IT HAS BEEN TAKING TO DATE, AND WILL  
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PAGE 01 OF 04 TOKYO 7161  
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E.O. 12356: DECL: MAY 9, 1985  
TAGS: ETRD, JA  
SUBJECT: ECONOMIC MEASURES BY JAPAN: RECENT DECISIONS

WIDELY ASK THE ENTERPRISES CONCERNED AND THE GENERAL  
PUBLIC FOR THEIR EFFORTS TO ENCOURAGE MANUFACTURED IMPORTS.

-  
- 1) REQUEST TO ENTERPRISES CONCERNED FOR THEIR  
EFFORTS TO IMPORT MANUFACTURED GOODS, ETC.

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## WHITE HOUSE SITUATION ROOM

PAGE 02 OF 04 TOKYO 7161

DTG: 090751Z APR 85 PSN: 017614

-  
- THE BUSINESS COMMUNITY IS REQUESTED TO COOPERATE WITH THE GOVERNMENT IN THE EFFORTS TO INCREASE IMPORTS INCLUDING MANUFACTURED GOODS, WITH A FULL RECOGNITION THAT EXPORT ALONE CAN NEITHER EXPAND TRADE NOR FORM A HARMONIOUS EXTERNAL ECONOMIC RELATIONS.  
-

- 2) HOLDING AND SUPPORTING OF IMPORT FAIRS AND OTHER EVENTS  
-

- LARGE SCALE IMPORT FAIRS WILL BE HELD IN VARIOUS PARTS OF THE NATION THROUGH SUCH MEANS AS ACTIVE USE OF JETRO, AND NECESSARY SUPPORT WILL BE PROVIDED TO TRADE FAIR ACTIVITIES SPONSORED BY FOREIGN GOVERNMENTS.  
-

- 3) EXPANSION OF THE SPECIFIED PRODUCTS TRADE EXPANSION PROGRAM  
-

- THE SPECIFIED PRODUCTS TRADE EXPANSION PROGRAM WHICH WAS ESTABLISHED IN FY 1984 HAS ALREADY MADE RESEARCH ON SALES PROMOTION STRATEGY IN JAPAN WITH REGARD TO WINE AND FURNITURES. SUPPORT AND OTHER EFFORTS WILL BE MADE FOR DISSEMINATION OF THE PROGRAM, AND ADDITIONAL NUMBER OF COUNTRIES AND ITEMS WILL BE CONSIDERED.  
-

- 4) EXPANSION OF IMPORT FINANCING ON MANUFACTURED GOODS  
-

- IN ORDER TO ENCOURAGE FURTHER IMPORT OF MANUFACTURED GOODS, THE EXPORT-IMPORT BANK OF JAPAN WILL REDUCE THE INTEREST RATE FOR THE IMPORT FINANCING ON MANUFACTURED GOODS:  
-

- 5) IMPLEMENTATION OF CAMPAIGN TO ENCOURAGE IMPORT  
-

- AN INTENSIVE CAMPAIGN THROUGH ADVERTISEMENTS ON  
-

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PAGE 03 OF 04 TOKYO 7161

DTG: 090751Z APR 85 PSN: 017614

NEWSPAPER, MAGAZINES, POSTERS AND ON THE STREETS AND IN TV PROGRAMS WILL BE CARRIED OUT TO STRONGLY APPEAL TO THE JAPANESE PEOPLE AND FIRMS TO ENCOURAGE THEIR EFFORTS TO EXPAND IMPORT OF FOREIGN MANUFACTURED GOODS.

### 2. IMPROVEMENT OF MARKET ACCESS IN THE HIGH TECHNOLOGY SECTOR

#### (1) TELECOMMUNICATIONS

ON APRIL 1, 1985, THE TELECOMMUNICATIONS BUSINESS LAW, NIPPON TELEGRAPH AND TELEPHONE CORPORATION LAW AND OTHER RELATED LEGISLATION ENTERED INTO FORCE. AND THE JAPANESE TELECOMMUNICATIONS MARKET WHICH HAD BEEN UNDER MONOPOLY CONTROL FOR MORE THAN A CENTURY, HAS COME UNDER A NEW SYSTEM ON THE SAME DAY WITH THE FULLY-FLEDGED INTRODUCTION OF THE COMPETITIVE PRINCIPLE.

IN VIEW OF THE OBJECTIVES OF THE INSTITUTIONAL CHANGES, WHICH IS TO INJECT VITALITY INTO THE TELECOMMUNICATIONS BUSINESS BY MOBILIZING THE CREATIVE ORIGINALITY AND INGENUITY OF THE PRIVATE ENTREPRENEURS, THE NEW SYSTEM SHALL BE IMPLEMENTED UNDER THE PRINCIPLES OF NON-DISCRIMINATION, SIMPLICITY, TRANSPARENCY AND MARKET OPENING.

#### 1) PROCUREMENT BY NIPPON TELEGRAPH AND TELEPHONE CORPORATION (NTT)

WHILE THE NIPPON TELEGRAPH AND TELEPHONE PUBLIC CORPORATION HAS BEEN PRIVATIZED, THE GATT GOVERNMENT PROCUREMENT CODE AND THE JAPAN-U.S. NTT PROCUREMENT AGREEMENT WILL REMAIN APPLICABLE TO NTT PROCUREMENT THROUGH DECEMBER 31, 1986, THE ORIGINAL DATE OF

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PAGE 04 OF 04 TOKYO 7161

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TERMINATION.

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PAGE 01 OF 04 TOKYO 7161  
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WHITE HOUSE SITUATION ROOM DELIVER TO JACK SPAHN  
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E.O. 12356: DECL: MAY 9, 1985  
TAGS: ETRD, JA  
SUBJECT: ECONOMIC MEASURES BY JAPAN: RECENT DECISIONS

- 
- 2) TYPE II TELECOMMUNICATIONS BUSINESS
- 
- TYPE II TELECOMMUNICATIONS BUSINESS IS FREE FROM FOREIGN CAPITAL RESTRICTIONS WITH THE ADOPTION OF THE

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WHITE HOUSE SITUATION ROOM

PAGE 02 OF 04 TOKYO 7161

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NON-DISCRIMINATION PRINCIPLE. THE PROCEDURES OF REGISTRATION AND NOTIFICATION HAVE BEEN MADE SIMPLE AND TRANSPARENT.

-  
- DATA PROCESSING USING TELECOMMUNICATIONS LINES HAD BEEN FREE, NOT REQUIRING NOTIFICATION OR OTHER PROCEDURES. THIS REMAINS UNCHANGED AFTER THE TELECOMMUNICATIONS BUSINESS LAW ENTERED INTO FORCE AND THUS NEITHER REGISTRATION NOR NOTIFICATION IS REQUIRED.

-  
- 3) FAIR COMPETITION IN TELECOMMUNICATIONS BUSINESS

- AS SAFEGUARDS AGAINST CROSS-SUBSIDIZATION BY TYPE I TELECOMMUNICATIONS CARRIERS INCLUDING NTT, NECESSARY PROVISIONS HAVE BEEN INCLUDED IN THE ACCOUNTING REGULATIONS.

-  
- 4) STANDARDS AND CERTIFICATION OF TELECOMMUNICATIONS TERMINAL EQUIPMENT

- TECHNICAL STANDARDS FOR TERMINAL EQUIPMENT HAVE ALREADY BEEN VERY MUCH SIMPLIFIED, BUT A STUDY WILL TAKE PLACE PROMPTLY WITH A VIEW TO SIMPLIFICATION OF THESE STANDARDS AIMING MAINLY AT PREVENTION OF HARM TO THE NETWORK.

*New  
LANGUAGE*

- THE TECHNICAL STANDARDS COMPLIANCE APPROVAL OF TERMINAL EQUIPMENT SHALL BE CONDUCTED BY AN IMPARTIAL, NEUTRAL AND INDEPENDENT APPROVAL AGENCY, ON THE BASIS OF FOREIGN TEST DATA, IN CASES OF FOREIGN SUPPLIERS, AND BY DOCUMENT INSPECTION.

-  
- 5) TRANSPARENCY

- IN ESTABLISHING AND AMENDING TECHNICAL STANDARDS, TRANSPARENCY SHALL BE SECURED BY ANNOUNCING THE SCHEDULES

WHITE HOUSE SITUATION ROOM

PAGE 03 OF 04 TOKYO 7161

DTG: 090751Z APR 85 PSN: 017616

AS EARLY AS POSSIBLE TO INTERESTED PARTIES BOTH DOMESTIC AND FOREIGN, AND THROUGH VARIOUS MEANS INCLUDING PARTICIPATION OF A JAPANESE NATIONAL SERVING IN A FOREIGN-AFFILIATED FIRM IN THE DRAFTING PROCESS AND IN THE TELECOMMUNICATIONS ADVISORY COUNCIL.

*not new  
when  
K*

6) PURCHASE OF COMMUNICATIONS SATELLITES

WITH THE ENTERING INTO FORCE OF THE TELECOMMUNICATIONS BUSINESS LAW, PRIVATE ENTERPRISES CAN NOW PURCHASE COMMUNICATIONS SATELLITES AND ENGAGE IN TELECOMMUNICATIONS BUSINESS. THE GOVERNMENT HAS MADE AVAILABLE IMPORT FINANCING BY THE EXPORT-IMPORT BANK OF JAPAN WITH REGARD TO PURCHASE BY PRIVATE ENTERPRISES OF FOREIGN COMMUNICATIONS SATELLITES. THE GOVERNMENT WILL ALSO ADDRESS THE QUESTION OF FREQUENCY ALLOCATION AS EXPEDITIOUSLY AS POSSIBLE.

(2) ELECTRONICS

1) TO ENSURE APPROPRIATE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS IN THE FIELD OF ELECTRONICS, THE GOVERNMENT OF JAPAN HAS DECIDED AT CABINET MEETINGS TO PROPOSE TO THE DIET A BILL CONCERNING THE PROTECTION OF SEMICONDUCTOR CHIP RIGHTS AND AN AMENDMENT OF THE COPYRIGHT LAW CONCERNING THE PROTECTION OF COMPUTER

PROGRAM RIGHTS. THE GOVERNMENT WILL MAKE ITS BEST EFFORTS TO SEEK THEIR LEGISLATION IN THE PRESENT SESSION OF THE DIET.

2) ON MARCH 1ST, 1985, MUTUAL ELIMINATION OF SEMICONDUCTOR TARIFFS WERE IMPLEMENTED, IN ACCORDANCE WITH THE AGREEMENT BETWEEN JAPAN AND THE U. S. A. IN ORDER TO PROMOTE FREE AND OPEN TRADE IN ELECTRONICS PRODUCTS, FURTHER CONSULTATIONS SHALL BE HELD WITH THE U. S. A. AND

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E.O. 12356: DECL: MAY 9, 1985

TAGS: ETRD, JA

SUBJECT: ECONOMIC MEASURES BY JAPAN: RECENT DECISIONS

OTHER INDUSTRIALIZED COUNTRIES WITH A VIEW TO EXPANDING  
THIS CONCEPT OF MUTUAL TARIFF ELIMINATION IN THE FIELD  
OF ELECTRONICS.

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PAGE 02 OF 04 TOKYO 7161

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### 3. PROMOTION OF THE LIBERALIZATION OF FINANCIAL AND CAPITAL MARKETS AND THE INTERNALIZATION OF THE YEN.

(1) WITH A VIEW TO PROMOTING LIBERALIZATION OF JAPAN'S FINANCIAL AND CAPITAL MARKETS AND INTERNATIONALIZING THE YEN, SUCH MEASURES HAVE ALREADY BEEN TAKEN AS LICENSING FOREIGN BANKS TO DEAL IN PUBLIC BONDS, RELAXING REGULATIONS ON EUROYEN CDS AND ANNOUNCING THE CRITERIA OF PARTICIPATION OF FOREIGN BANKS IN THE TRUST BANKING ACTIVITIES.

(2) BY THE BEGINNING OF APRIL THIS YEAR, FURTHER MEASURES HAD BEEN TAKEN SUCH AS INTRODUCTION OF MONEY MARKET CERTIFICATES (MMC), FURTHER RELAXATION OF CONDITIONS FOR ISSUING CDS, OF EUROYEN BOND ISSUES AND EUROYEN LENDING, AND OF YEN-DENOMINATED BONDS ISSUED BY NON-RESIDENTS.

(3) AT PRESENT, CONCRETE SCHEMES FOR THE ESTABLISHMENT OF YEN-DENOMINATED BANKER'S ACCEPTANCE MARKET AND BOND FORWARD MARKET ARE IN THE COURSE OF PREPARATION.

(4) THE LIBERALIZATION OF FINANCIAL AND CAPITAL MARKETS AND INTERNATIONALIZATION OF THE YEN SHALL BE STEADILY PROMOTED, ALONG WITH ADJUSTMENTS OF THE FINANCIAL ENVIRONMENT, IN LINE WITH THE MINISTRY OF FINANCE REPORT "CURRENT STATUS AND FUTURE PROSPECTS FOR THE LIBERALIZATION OF FINANCIAL AND CAPITAL MARKETS AND THE INTERNALIZATION OF THE YEN" AND THE "YEN/DOLLAR MEETING REPORT".

### 4. ENSURING MODERATE EXPORTS

WITH THE BASIC POLICY OF PROMOTING BALANCED EXPANSION OF TRADE, EFFORTS WILL CONTINUE TO BE MADE

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## WHITE HOUSE SITUATION ROOM

PAGE 03 OF 04 TOKYO 7161

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TO ENSURE MODERATE EXPORTS TO AVOID CONCENTRATION OF SPECIFIC PRODUCTS IN SPECIFIC REGIONS WHILE EXPEDITING THE IMPROVEMENTS IN MARKET ACCESS.

### 5. ENHANCEMENT OF ECONOMIC COOPERATION

- IN ORDER TO SECURE HARMONIOUS DEVELOPMENT OF WORLD ECONOMY AND TO POSITIVELY CONTRIBUTE TO THE INTERNATIONAL COMMUNITY, JAPAN WILL CONTINUE ITS EFFORTS TO STEADILY INCREASE ITS OFFICIAL DEVELOPMENT ASSISTANCE (ODA), SETTING A NEW MEDIUM-TERM TARGET FOR THE PRIOD AFTER 1986. IN SO DOING, IT WILL ENDEAVOR, TO THE GREATEST EXTENT POSSIBLE, TO IMPROVE THE QUALITY OF ODA THROUGH SUCH STEPS AS EXPANDING BILATERAL GRANT AID AND TECHNICAL ASSISTANCE AND RESPONDING POSITIVELY TO REQUESTS FOR CONTRIBUTIONS TO INTERNATIONAL FINANCIAL INSTITUTIONS.

### 6. PROMOTION OF MUTUAL INVESTMENT, ETC.

- MUTUAL INVESTMENT WILL BE ENCOURAGED IN ORDER TO FURTHER INTERNATIONALIZE THE JAPANESE ECONOMY, TO DEEPEN THE INTERDEPENDENCY WITH OTHER COUNTRIES, AND TO VITALIZE OTHER ECONOMIES.

- 1) ON INDUSTRIAL COOPERATION, THE HEADQUARTERS FOR PROMOTION OF INDUSTRIAL COOPERATION HAVE BEEN ESTABLISHED WITHIN JAPAN EXTERNAL TRADE ORGANIZATION (JETRO) IN ORDER TO STRENGTHEN ITS ROLE TO PROVIDE INFORMATION. STARTING FY1985, SPECIAL SERVICE ON INDUSTRIAL COOPERATION WILL BE PROVIDED BY THE JETRO.

- 2) IN ORDER TO ENCOURAGE FOREIGN ENTERPRISES TO DIRECTLY INVEST IN JAPAN, VIGOROUS SUPPORT WILL BE

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PAGE 04 OF 04 TOKYO 7161

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EXTENDED ON A CONTINUED BASIS TO LOCAL ADMINISTRATIVE  
BODIES FOR THEIR EFFORTS IN INVITING FOREIGN INVESTMENTS.

7. FOREIGN LAWYERS' ACTIVITIES IN JAPAN  
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WHITE HOUSE SITUATION ROOM DELIVER TO JACK SPAHN  
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E. O. 12356: DECL: MAY 9, 1985  
TAGS: ETRD, JA  
SUBJECT: ECONOMIC MEASURES BY JAPAN: RECENT DECISIONS

- ON THE QUESTION OF FOREIGN LAWYERS' ACTIVITIES IN  
JAPAN, THE JAPAN FEDERATION OF BAR ASSOCIATIONS MADE A  
BASIC POLICY DECISION ON MARCH 15, 1985, TO ACCEPT  
FOREIGN LAWYERS SUBJECT TO THE PRINCIPLE THAT RECIPROCITY

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PAGE 02 OF 04 TOKYO 7161

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BE PRACTICALLY MAINTAINED AND THE PRINCIPLE THAT THE FOREIGN LAWYERS WILL SUBSCRIBE TO THE AUTONOMY OF THE JAPAN FEDERATION OF BAR ASSOCIATIONS. THE GOVERNMENT WILL WORK TO HAVE AN APPROPRIATE SOLUTION MATERIALIZED AS EARLY AS POSSIBLE THROUGH FULL EXCHANGE OF VIEWS WITH THE FEDERATION.

(APPENDIX)

IMPROVEMENT IN STANDARDS AND CERTIFICATION SYSTEMS, IMPORT TESTING PROCEDURES, ETC.

1. PERMISSION FOR PASSAGE OF HIGH-CUBE CONTAINERS

WITH REGARD TO MARINE CONTAINERS 40 FEET LONG AND 9 FEET 6 INCHES HIGH, PERMISSION SHALL BE GRANTED FOR THEIR PASSAGE THROUGH THE PREDESIGNATED ROUTES, WITH SUCH CONDITIONS ATTACHED AS ARE NECESSARY TO SECURE SAFETY, WHILE TAKING ACCOUNT OF THE STATE OF THE ROADS AND THE VOLUME OF TRAFFIC INVOLVED.

2. SIMPLIFICATION OF PROCEDURES FOR THE NOTIFICATION OF IMPORTED FOODS, ETC.

(1) NECESSARY STEPS SHALL BE TAKEN TO INTRODUCE ANEW A PRIOR NOTIFICATION SYSTEM.

(2) NECESSARY STEPS SHALL ALSO BE TAKEN TO EXTEND THE VALIDITY TIME OF CERTIFICATES FOR CONTINUOUS IMPORTS OF TABLEWARES, COOKING UTENSILS AND FOOD-PRODUCING MACHINES.

(3) ACCOMPANYING DOCUMENTS FOR THE IMPORT NOTIFICATION SHALL BE SIMPLIFIED.

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PAGE 03 OF 04 TOKYO 7161

DTG: 090751Z APR 85 PSN: 017623

3. SIMPLIFICATION OF THE METHODS OF INDICATION OF  
FOODSTUFFS USED SOLELY AS PROCESSING MATERIALS

-  
- NECESSARY STEPS SHALL BE TAKEN TO SIMPLIFY THE  
METHODS OF INDICATION OF FOOD SANITATION WITH RESPECT  
TO FOODSTUFFS USED SOLELY AS PROCESSING MATERIALS.  
-

4. ESTABLISHMENT OF STANDARDS FOR MINERAL WATER

-  
- NECESSARY STEPS SHALL BE TAKEN TO ESTABLISH FOOD  
SANITATION STANDARDS FOR MINERAL WATER.  
-

5. SIMPLIFICATION AND EXPEDITION OF APPROVAL AND  
LICENSING PROCEDURES FOR PHARMACEUTICALS, ETC.

-  
(1) APPLICATION DOCUMENTS SHALL BE SIMPLIFIED WHEN THE  
APPLICANT FOR AN IMPORT LICENSE IS HOLDER OF A LICENSE  
FOR MANUFACTURE.  
-

(2) WITH REGARD TO APPROVALS FOR MANUFACTURE AND IMPORT,  
THE SCOPE OF APPROVAL AUTHORITY TO BE DELEGATED TO THE  
PREFECTURAL GOVERNORS WAS EXPANDED ON APRIL 1, 1985 IN  
ORDER TO EXPEDITE EXAMINATION.  
-

6. PERMISSION FOR USE AND SALE OF HIGH-PRICED MEDICAL  
DEVICES IMPORTED FOR THE PURPOSE OF CLINICAL TRIALS

-  
- IN CASE MEDICAL DEVICES IMPORTED FOR THE PURPOSE  
OF CLINICAL TRIALS ARE HIGH-PRICED OR THEIR DISPOSAL  
OR RECOVERY MAY COST MUCH, THEIR USE AND SALE SHALL

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PAGE 04 OF 04 TOKYO 7161

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ON THE CONDITION THAT THEY CONFORM TO THE  
REQUIREMENTS FOR APPROVAL.

-  
7. SIMPLIFICATION AND RATIONALIZATION OF LICENSING  
PROCEDURES FOR COSMETICS

-  
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WHITE HOUSE SITUATION ROOM DELIVER TO JACK SPAHN  
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E.O. 12356: DECL: MAY 9, 1985  
TAGS: ETRD, JA  
SUBJECT: ECONOMIC MEASURES BY JAPAN: RECENT DECISIONS

- WITH REGARD TO LICENSING PROCEDURES FOR COSMETICS,  
SIMPLIFICATION AND RATIONALIZATION SUCH AS ISSUANCE OF  
LICENSES ALLOWING SOME LATITUDE IN THE RATE OF COMBINATION  
OF COLORING AGENTS WERE MADE ON APRIL 1, 1985.  
-

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PAGE 02 OF 02 TOKYO 7161

DTG: 090751Z APR 85 PSN: 017624

8. PERMISSION OF JOINT USE OF TESTING FACILITIES FOR  
IMPORT LICENSES FOR COSMETICS

-

- JOINT USE OF TESTING FACILITIES SHALL BE PERMITTED.

-

9. INSTITUTION OF PLANT QUARANTINE ON HOLIDAYS AT NEW  
TOKYO INTERNATIONAL AIRPORT

-

- NECESSARY STEPS ARE BEING TAKEN TO INSTITUTE PLANT  
QUARANTINE ON SATURDAY AFTERNOON AND HOLIDAYS AT NEW  
TOKYO INTERNATIONAL AIRPORT FROM APRIL, 1985 BY  
INCREASING THE NUMBER OF QUARANTINE OFFICERS.

-

END TEXT.

-

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WHITE HOUSE SITUATION ROOM DELIVER TO JACK SPAHN AT  
- 7:30 A.M. YOUR TIME  
DEPARTMENT PASS USTR  
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E.O. 12356: DECL: OADR  
TAGS: ETRD, JA  
SUBJECT: ECONOMIC MEASURES BY JAPAN: JAPAN-U.S.  
- FOUR-SECTOR CONSULTATIONS - A PROGRESS REPORT

1. ~~CONFIDENTIAL~~ - ENTIRE TEXT.

2. FOLLOWING IS TENTATIVE AND PROVISIONAL TEXT OF  
JAPAN'S APRIL 9, 1985, ECONOMIC MEASURES PAPER,

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## WHITE HOUSE SITUATION ROOM

PAGE 02 OF 04 TOKYO 7162

DTG: 090811Z APR 85 PSN: 017628

"JAPAN-U.S. FOUR-SECTOR CONSULTATIONS - A PRGRJ5 ANV BS1B  
AN A

CCOMPANYING "RECENT DECISIONS AND POLICY  
ORIENTATIONS" PAPER IS BEING SENT SEPTEL. THIS VERSION  
MAY BE SLIGHTLY CHANGED IN THE COURSE OF CORRECTING  
THE TRANSLATION AND IS EMBARGOED UNTIL 6:00 P.M.  
APRIL 9 TOKYO TIME.

-

3. BEGIN TEXT:

-

JAPAN-U.S. FOUR-SECTOR CONSULTATIONS

- A PROGRESS REPORT -

-

THE FOUR-SECTOR, HIGH-LEVEL CONSULTATIONS BETWEEN  
JAPAN AND THE U.S., INITIATED PURSUANT TO THE MEETING  
BETWEEN PRIME MINISTER NAKASONE AND PRESIDENT REAGAN  
IN JANUARY, HAVE BEEN VIGOROUSLY PURSUED. ALTHOUGH  
THERE ARE DIFFERENCES IN THE DEGREE OF PROGRESS  
AMONG THE SECTORS, THIS IS MAINLY BECAUSE THE  
TELECOMMUNICATIONS CONSULTATIONS HAVE BEEN CONDUCTED  
IN AN EXPEDITIOUS MANNER IN VIEW OF THE FACT THAT  
THE TELECOMMUNICATIONS BUSINESS WAS SCHEDULED TO  
BE OPENED TO THE PRIVATE SECTOR FROM APRIL . THE  
FRUITS OF THE CONSULTATIONS WILL BENEFIT NOT ONLY  
THE U.S. BUT ALSO A BROAD SPECTRUM OF OTHER FOREIGN  
COUNTRIES. A DESCRIPTION OF THE PROGRESS HITHERTO  
MADE AND THE STANCE OF THE JAPANESE GOVERNMENT  
CONCERNING FUTURE CONSULTATIONS FOLLOWS.

-

1. TELECOMMUNICATIONS

-

(1) VARIOUS ISSUES BETWEEN JAPAN AND THE U.S.  
CONCERNING TELECOMMUNICATIONS HAVE BEEN RESOLVED  
UNDER THE SPIRIT OF EQUITY IN MARKET OPPORTUNITY

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PAGE 03 OF 04 TOKYO 7162

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AND EQUITABLE REGULATORY PROCESS, AND AS FROM APRIL 1 THE TELECOMMUNICATIONS BUSINESS LAW AND THE RELATED CABINET AND MINISTERIAL ORDINANCES ARE BEING ENFORCED, THE PRIME PURPOSE OF WHICH IS TO INTRODUCE NON-DISCRIMINATORY COMPETITION IN THE JAPANESE TELECOMMUNICATIONS MARKET. FOLLOWING ARE THE MAIN POINTS OF UNDERSTANDING BETWEEN JAPAN AND THE U. S. :

- (I) THE DISTINCTION BETWEEN GENERAL TYPE II  
- AND SPECIAL TYPE II TELECOMMUNICATIONS BUSINESSES  
- HAS BEEN MADE CLEAR-CUT, AND THE NOTIFICATION/  
- REGISTRATION PROCEDURES HAVE BEEN MADE SIMPLE  
- AND TRANSPARENT. DATA PROCESSING USING  
- TELECOMMUNICATIONS LINES HAD BEEN FREE, NOT  
- REQUIRING NOTIFICATION OR OTHER PROCEDURES.  
- THIS REMAINS UNCHANGED AFTER THE TELECOMMUNICATIONS  
- BUSINESS LAW ENTERED INTO FORCE AND THUS NEITHER  
- REGISTRATION NOR NOTIFICATION IS REQUIRED.

- (II) WITH REGARD TO TECHNICAL STANDARDS AND  
- REQUIREMENTS OF TERMINAL EQUIPMENT, A STUDY BY  
- EXPERTS OF JAPAN AND THE U. S. WILL BE STARTED  
- PROMPTLY SO AS TO OBTAIN EARLIEST POSSIBLE  
: - CONCLUSIONS WITHIN 60 DAYS WITH A VIEW TO  
- FURTHER SIMPLIFYING THE PRESENT ITEMS OF  
- TECHNICAL STANDARDS AND REQUIREMENTS. THIS

- WILL BE DONE WITH AN AIM OF MAKING THE  
- REGULATORY PROCESS EQUITABLE BETWEEN JAPAN  
- AND THE U. S., AND WILL BE BASED ON THE  
- PRINCIPLE THAT THE CHOICE OF TERMINAL EQUIPMENT  
- AND TELECOMMUNICATIONS PROTOCOLS SHOULD BE  
- LEFT TO THE USERS.

- (III) THE TECHNICAL STANDARDS COMPLIANCE  
- APPROVAL OF TERMINAL EQUIPMENT SHALL BE

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PAGE 04 OF 04 TOKYO 7162

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- CONDUCTED BY AN IMPARTIAL, NEUTRAL AND
- INDEPENDENT APPROVAL AGENCY, ON THE BASIS
- OF FOREIGN TEST DATA, IN THE CASE OF FOREIGN
- SUPPLIERS, AND BY DOCUMENT INSPECTION.

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WHITE HOUSE SITUATION ROOM

PAGE 01 OF 04 TOKYO 7162  
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WHITE HOUSE SITUATION ROOM DELIVER TO JACK SPAHN AT  
- 7:30 A.M. YOUR TIME  
DEPARTMENT PASS USTR  
USDA FOR FAS/ITP

E. O. 12356: DECL: OADR  
TAGS: ETRD, JA  
SUBJECT: ECONOMIC MEASURES BY JAPAN: JAPAN-U.S.

- (IV) IN DRAFTING TECHNICAL STANDARDS, ETC.,
- TRANSPARENCY SHALL BE SECURED BY ANNOUNCING
- THE SCHEDULES AS EARLY AS POSSIBLE TO INTERESTED
- PARTIES BOTH DOMESTIC AND FOREIGN, AND THROUGH
- VARIOUS MEANS INCLUDING SOLICITING OF VIEWS ON
- THE DRAFTS FROM INTERESTED PARTIES BOTH DOMESTIC
- AND FOREIGN, AND PARTICIPATION OF A JAPANESE

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## WHITE HOUSE SITUATION ROOM

PAGE 02 OF 04 TOKYO 7162

DTG: 090811Z APR 85 PSN: 017626

- NATIONAL SERVING IN A FOREIGN-AFFILIATED FIRM  
- IN THE TELECOMMUNICATIONS ADVISORY COUNCIL.  
-

- (V) IN ORDER TO PREVENT CROSS-SUBSIDIZATION  
- BY TYPE I TELECOMMUNICATIONS CARRIERS INCLUDING  
- NTT. NECESSARY PROVISIONS HAVE BEEN INCLUDED  
- IN THE ACCOUNTING REGULATIONS, THEREBY  
- SAFEGUARDING FAIR COMPETITION.  
-

- (VI) SHOULD THERE BE ASPECTS IDENTIFIED IN  
- THE PROCESS OF IMPLEMENTATION OF THE NEW LAW  
- AS SERIOUS AND ACTUAL BARRIERS TO MARKET  
- ENTRY, WE WOULD PROPOSE, IF NECESSARY,  
- AMENDMENTS TO THE DIET IN ACCORDANCE WITH THE  
- PROVISION OF THE LAW. IF THERE ARE ASPECTS  
- OF THE CABINET AND MINISTERIAL ORDINANCES  
- WHICH ARE IDENTIFIED AS BARRIERS TO ENTRY TO  
- THE MARKET. THE RELEVANT ORDINANCES WILL BE  
- AMENDED TO CORRECT THESE DEFICIENCIES.  
-

(2) THE GOVERNMENT OF JAPAN WILL ENSURE THAT THE  
SYSTEM WILL BE IMPLEMENTED IN THE ENFORCEMENT PHASE  
OF THE LAW WITH FULL RESPECT TO NON-DISCRIMINATION,  
SIMPLICITY, TRANSPARENCY, AND MARKET-OPENING.  
-

(3) WITH REGARD TO PURCHASE BY THE PRIVATE SECTOR  
OF FOREIGN COMMUNICATIONS SATELLITES, IMPORT  
FINANCING BY THE EXPORT-IMPORT BANK OF JAPAN HAS  
ALREADY BEEN MADE AVAILABLE. IN ADDITION, THE  
QUESTION OF FREQUENCY ALLOCATION WILL BE ADDRESSED  
AS EXPEDITIOUSLY AS POSSIBLE.  
-

### 2. ELECTRONICS

-

(1) NINE POINTS OF INTEREST HAVE BEEN RAISED BY

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## WHITE HOUSE SITUATION ROOM

PAGE 03 OF 04 TOKYO 7162

DTG: 090811Z APR 85 PSN: 017626

THE U. S. SIDE, AND PRODUCTIVE DISCUSSIONS HAVE TAKEN PLACE. IN RELATION TO THESE ISSUES, THE GOVERNMENT OF JAPAN HAS ALREADY DECIDED UPON IN CABINET MEETINGS (I) A BILL CONCERNING THE PROTECTION OF SEMICONDUCTOR CHIP RIGHTS, AND (II) AN AMENDMENT OF THE COPYRIGHT LAW CONCERNING THE PROTECTION OF COMPUTER PROGRAM RIGHTS (N.B. 50 YEAR COPYRIGHT PROTECTION AND NO COMPULSORY LICENSING), AND WILL DO ITS UTMOST TO SEEK THEIR LEGISLATION IN THE PRESENT SESSION OF THE DIET. IN ADDITION TO THESE, (III) THE GOVERNMENT OF JAPAN HAS PROPOSED TO THE U. S. SIDE THAT THE TWO GOVERNMENTS CONSIDER THE POSSIBILITY OF MUTUAL ELIMINATION OF TARIFFS IN THE ELECTRONICS SECTOR.

(2) WITH REGARD TO THE OTHER ISSUES, TOO, THE GOVERNMENT OF JAPAN WILL ACTIVELY PROMOTE THE FREE EXCHANGE OF TRADE, INVESTMENT, AND TECHNOLOGY IN THE AREA OF ELECTRONICS, RECOGNIZING THAT THIS AREA HOLDS A GREAT DEAL OF PROMISE AND, THEREFORE, THAT THE EXISTENCE OF A FREE MARKET IN AND BETWEEN JAPAN AND THE U. S. IS OF UTMOST IMPORTANCE.

### 3. PHARMACEUTICALS AND MEDICAL EQUIPMENTS

SEVEN POINTS OF INTEREST HAVE BEEN RAISED BY THE U. S. SIDE AS QUESTIONS TO BE ADDRESSED FOR THE TIME BEING, AND SERIOUS STUDIES ARE UNDER WAY TO MAKE THE APPROVAL AND LICENSING PROCEDURES SIMPLE AND TRANSPARENT. ACCORDINGLY SOME PROGRESS IS IN THE MAKING. AMONG THEM:

(1) FOREIGN CLINICAL TEST DATA SHALL BE ACCEPTED FOR MEDICAL EQUIPMENTS AND IN VITRO DIAGNOSTIC REAGENTS IN CASE THEY ARE IMMUNE TO ETHNIC DIFFERENCES; AND  
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PAGE 01 OF 02 TOKYO 7162  
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~~C O N F I D E N T I A L~~ SECTION 03 OF 03 TOKYO 07162

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(2) IN ORDER TO SECURE TRANSPARENCY OF THE APPROVAL/  
EXAMINATION PROCESS, COMPANIES APPLYING FOR APPROVAL,  
INCLUDING FOREIGN COMPANIES, SHALL BE GIVEN  
OPPORTUNITIES TO HEAR INSTRUCTIONS DIRECTLY FROM AND  
EXPLAIN THEIR COMMENTS DIRECTLY TO THE CENTRAL  
PHARMACEUTICAL AFFAIRS COUNCIL.

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WHITE HOUSE SITUATION ROOM

PAGE 02 OF 02 TOKYO 7162

DTG: 090811Z APR 85 PSN: 017630

-  
(3) AS FOR OTHER ISSUES, TOO, STUDY IS IN PROGRESS AND THE GOVERNMENT OF JAPAN WILL POSITIVELY ADDRESS THEM AT THE NEXT CONSULTATION WITH THE U. S. SIDE.  
-

4. FOREST PRODUCTS  
-

- FOLLOWING THE FIRST CONSULTATION, A WORKING-LEVEL MEETING WAS HELD AND INFORMATION EXCHANGED CONCERNING BROAD ISSUES RELATED TO FOREST PRODUCTS BOTH IN JAPAN AND THE U. S. THE GOVERNMENT OF JAPAN WISHES TO HOLD THE SECOND CONSULTATION AS SOON AS POSSIBLE AND TO DISCUSS FROM A BROAD PERSPECTIVE EVERY PROBLEM RELATED TO FOREST PRODUCTS.  
-

- IT IS THE POLICY OF THE GOVERNMENT OF JAPAN TO FURTHER PUSH FORWARD THE INTERNATIONALIZATION AND EFFICIENCY OF THE JAPANESE ECONOMY THROUGH MARKET OPENING AND OTHER MEASURES, WHILE URGING THE U. S. TO MAKE NECESSARY EFFORTS IN RECTIFYING THE HIGH VALUE OF THE DOLLAR AND IN INCREASED EXPORTS TO JAPAN. THE GOVERNMENT WILL ACTIVELY ADDRESS THE ISSUES WITH THE UNDERSTANDING AND COOPERATION OF RELATED INDUSTRIES AND OF THE BROAD SPECTRUM OF THE JAPANESE PEOPLE.  
-

END TEXT.  
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MANSFIELD

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