

WORLD TRADE ORGANIZATION

RESTRICTED

G/SCM/Q3/KNA/3

9 April 2002

(02-1896)

**Committee on Subsidies
and Countervailing Measures**

Original: English

SUBSIDIES

Requests Pursuant to Article 27.4 of the Agreement on Subsidies and Countervailing Measures

Questions Posed by JAPAN Regarding the Notification of ST. KITTS AND NEVIS¹

The following communication, dated 4 April 2002, has been received from the Permanent Mission of Japan.

Japan hereby submits the following questions seeking clarification of certain aspects of the request submitted by St. Kitts and Nevis under Article 27.4 of the ASCM for extension of the transition period for export subsidies. In addition, Japan reserves its right for further questions. These questions are without prejudice to whether Japan endorses any conclusions which may be drawn.

Fiscal Act No. 17 of 1974

This Act seems to include a requirement for local value. Could St. Kitts and Nevis please explain its conformity with Article 3.1(b) of the ASCM?

While this Act seems to have already been effective in 1998, St. Kitts and Nevis notified in G/SCM/N/38/KNA on 17 July 1998 that there were no measures which require notification under Article 25. Could St. Kitts and Nevis please explain this contradiction.

¹ G/SCM/N/74/KNA and G/SCM/N/71/KNA