

AGREEMENT ON COMMERCE BETWEEN CANADA AND JAPAN

The Government of Canada and the Government of Japan, desiring to strengthen the traditional bonds of friendship which unite the two countries and to facilitate further and to develop the commercial relations existing between Canada and Japan, have resolved to conclude an agreement which will regulate the commercial relations between Canada and Japan and have accordingly appointed their respective representatives for this purpose, who have agreed as follows:

ARTICLE I

1. Each Contracting Party shall accord to the other Contracting Party unconditional most-favoured-nation treatment in all matters with respect to customs duties and charges of any kind imposed on or in connection with importation or exportation or imposed on the international transfer of payments for imports or exports, and with respect to the method of levying such duties and charges, with respect to the rules and formalities connected with importation or exportation, and with respect to all internal taxes or other internal charges of any kind, and with respect to all laws, regulations and requirements affecting internal sale, offering for sale, purchase, distribution or use of imported goods within the territory of such Contracting Party.

2. Accordingly, products of either Contracting Party imported into the territory of the other Contracting Party shall not be subject, in regard to the matters referred to in paragraph 1 of this Article, to any duties, taxes or charges higher, or to any rules or formalities more burdensome, than those to which the like products of any third country are or may hereafter be subject.

3. Similarly, products exported from the territory of either Contracting Party and consigned to the territory of the other Contracting Party shall not be subject, in regard to the matters referred to in paragraph 1 of this Article, to any duties, taxes, or charges higher, or to any rules or formalities more burdensome, than those to which the like products when consigned to the territory of any third country are or may hereafter be subject.

4. Any advantage, favour, privilege or immunity which has been or may hereafter be granted by either Contracting Party in regard to the matters referred to in paragraph 1 of this Article to any product originating in any third country or consigned to the territory of any third country shall be accorded immediately and without compensation to the like product originating in or consigned to the territory of the other Contracting Party, respectively, and irrespective of the nationality of the carrier.

5. The provisions of this Article relating to most-favoured-nation treatment are not applicable to exclusive advantages accorded by Canada to members of the British Commonwealth of Nations, including their dependent territories, and to the Republic of Ireland.

ARTICLE II

Either Contracting Party shall accord to the products of the other Contracting Party, which have been in transit through the territory of any third country receiving most-favoured-nation treatment from the importing country, treatment no less favourable than that which would have been accorded to