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CANADA – MEASURES CONCERNING TRADE IN COMMERCIAL AIRCRAFT

REQUEST TO JOIN CONSULTATIONS

Communication from Japan

The following communication, dated 23 February 2017, from the delegation of Japan to the delegation of Canada, the delegation of Brazil and to the Chairperson of the Dispute Settlement Body, is circulated in accordance with Article 4.11 of the DSU.

I wish to refer to the consultations requested by Brazil pursuant to Articles 1 and 4 of the Understanding on Rules and Procedures Governing the Settlement of Disputes ("DSU"), Articles 4, 7 and 30 of the Agreement on Subsidies and Countervailing Measures ("SCM Agreement") and Article XXII of the General Agreement on Tariffs and Trade 1994 (to the extent incorporated by Article 30 of the SCM Agreement) in the communication circulated to WTO Members on 15 February 2017 titled "*Canada – Measures Concerning Trade in Commercial Aircraft*" (WT/DS522/1,G/SCM/D114/1,G/L/1176). My authorities have instructed me to notify the consulting Members and the Dispute Settlement Body of the desire of Japan to be joined in these consultations, pursuant to paragraph 11 of Article 4 of the DSU.

According to the request for consultations by Brazil, the matter subject to these consultations concerns "prohibited and actionable subsidies to Bombardier and its suppliers" and "adverse effects" "in the form of serious prejudice or threat of serious prejudice" in the markets of Canada and third countries. Japan is one of the major suppliers of aircraft parts to the world¹ including Canada² and Brazil³. As such, Japan has a substantial trade interest in the subject matter of these consultations.

¹ In 2016, the total value of exports of aircraft parts (HS Code 88.03) from Japan to the world was 4.67 billion US dollars (calculated at the exchange rate of 1 USD = 112.54 JPY as of 23 February 2017. Source: Statistics of the Ministry of Finance of Japan. The original currency of the statistics is Japanese Yen.).

² In 2016, the total value of exports of aircraft parts (HS Code 88.03) from Japan to Canada was 138 million US dollars (calculated at the exchange rate of 1 USD = 112.54 JPY as of 23 February 2017. Source: Statistics of the Ministry of Finance of Japan. The original currency of the statistics is Japanese Yen.).

³ In 2016, the total value of exports of aircraft parts (HS Code 88.03) from Japan to Brazil was 102 million US dollars (calculated at the exchange rate of 1 USD = 112.54 JPY as of 23 February 2017. Source: Statistics of the Ministry of Finance of Japan. The original currency of the statistics is Japanese Yen.).