1. Legal and Administrative Basis of the Restrictions

Import controls and restrictions in Austria are applied under the provisions of the External Trade Law of 3 December 1956, published in BGBl (Austrian Official Gazette) 226/56, as amended by the External Trade Law Amendment 1959, BGBl 284/59, on 17 December 1959. The External Trade Law of 1956, imposes licensing control not on all imports, but only on a number of products expressly specified in annexed lists. These lists as revised and now in force are appended to the External Trade Law Amendment of 1959. Imports of goods listed are subject to licences which are issued, depending on the product, by either the Federal Ministry for Trade and Reconstruction, the Federal Ministry for Agriculture and Forestry or the Federal Ministry for the Interior.

All goods not contained in the lists annexed to the Law are free from the legal requirement of a licence before importation. Further, the import of goods, including those specified in the annexes to the ETL and normally requiring a licence, is excepted from the licensing requirement if made for certain specified purposes, in certain specified manners or through certain specified channels, as described in Annex I to this document.

The 1959 External Trade Law Amendment moreover states that imports of the goods mentioned under Article II, paragraph 1, of the Agreement on the Importation of Educational, Scientific and Cultural Materials of 22 November 1950, BGBl 180/1958, concluded within the framework of the United Nations Educational Scientific and Cultural Organization (UNESCO), are exempted from licensing requirements when imported from both contracting and non-contracting countries. These goods are listed in Annex II to this document. The Amendment also includes special provisions on the procedure to be applied in the case of import applications concerning the supply of arms and implements for the Austrian army.

The 1959 External Trade Law Amendment also maintains provisions intended to warrant the compliance of legislative regulations of the External Trade Law with Austria's international commitments. For this purpose the Amendment lays down that the provisions concerning the licencing obligation as well as all provisions connected therewith are not to be applied in the case of commodities, the trade of which is not subject to restrictions under multilateral agreements, provided that, for reasons of economic policy, it is not decreed that the provisions of the External Trade Law are to be applied. The competent federal Ministries shall notify in the "Amtsblatt zur Wiener Zeitung" for which countries or organizations of countries and to which commodities the provisions on the licencing obligation are not applicable.
The administrative implementation of restrictions is based upon the provisions of the ETL of 1956 and the External Trade Law Amendment of 1959. All matters of principle relating to foreign trade as well as import transactions requiring a licence and covering goods valued at more than Sch. 150,000 must be brought before an Advisory Council consisting of representatives of various Government Ministries, the Federal Chamber of Commerce, the Austrian Workers' Chamber, the Chamber of Agriculture and the Austrian National Bank. The Council meets twice a week at the Federal Ministry for Trade and Reconstruction.

The General Committee of the National Assembly, the co-operation of which is required for the implementation of the powers of the Federal Government mentioned under the ETL of 1956, is appointed by the National Assembly from among its members.

The ETL provides that the Landeshauptmann of each Federal Province may be authorized to grant import licences to individual persons and firms residing within the relevant Federal Province for commodities not requiring to be brought before the above-mentioned Advisory Council. This provision has been made use of by issuing the Delegating Ordinance of 9 April 1957, BGBl 102/57. The authorization granted to the Landeshauptmann is restricted in certain respects.

2. Methods Used in Restricting Imports

The system of import controls may be conveniently described under the following headings:

A. Goods not covered by the controls under the ETL.
B. Liberalized imports from OEEC countries.
C. Liberalized imports from the United States, dependent territories and Canada.
D. Global quotas.
E. Bilateral trade agreements.
F. Discretionary licensing.
G. Prohibition of imports.

A. Goods not covered by ETL control

Goods not specified in the lists annexed to the External Trade Law are free from licensing control and quantitative restrictions regardless of their origin.

B. Liberalized imports from OEEC countries

On 1 November 1959, a new Liberalization List for OEEC countries came into force, replacing the OEEC List of 1 September 1958. The renewed publication of the Liberalization List, was for the purpose of correcting mistakes which had occurred when transposing the former OEEC Liberalization List into the nomenclature of the new Austrian Customs Tariff. The corrections were necessary in order that in accordance with the preceding commodity list of 1 January 1956, the liberalization quota of OEEC countries of 90.3 per cent could be strictly adhered to.
C. Liberalized imports from the United States, dependent territories and Canada

Since 15 October 1958 an extended Liberalization List had been applied for imports from the United States and Canada, by which — with the exception of sixteen textile sub-items — the different treatment of imports from the United States and Canada in the industrial sector was entirely eliminated. This Liberalization List was only published on 15 November 1959 in order to secure the conformity, as to their content, of the liberalized items with the revised OEEC Liberalization List.

D. Global quotas

The global quotas established by Austria have remained unchanged from the previous year. As, however, changes have occurred in the customs tariff items owing to the coming into force of the new Austrian Customs Tariff, the list of global quotas valid on 31 March 1960 is attached to this document as Annex III.

E. Bilateral trade agreements

Austria has concluded bilateral trade agreements with a number of countries. (See the section on "Treatment of imports from different sources").

The quotas granted by Austria within the framework of bilateral agreements are limited as to value or as to quantity. In some cases the agreements provide that import licences for specially defined commodities will be granted without any restriction as to value or to quantity. Some agreements provide exclusively for lists of commodities without fixed quotas.

F. Discretionary licensing

For other imports subject to restrictions licences are granted on a case-by-case basis without predetermined quota limits, the main considerations being the level of Austrian foreign exchange reserves, as well as conditions prevailing on the Austrian market.

In regard to some agricultural products there are special systems of control and regulation which aim mainly at stabilizing internal prices having regard to the interests of both producers and consumers.

The Marketing Law of 17 December 1958, published in BGBl 276/58, which comprises and amends the three marketing laws in force since 1950, covers the following groups of products:

(i) Cow's milk of any kind, butter, cheese, cottage-cheese, casein, powdered and condensed milk.

(ii) Bread-grains (rye, wheat, maize for the production of flour for human consumption and all kinds of flour and other milling products from bread-grains), feeding grains; coarse grain, barley, oats, maize, coarse-ground flour, etc.
(iii) Cattle, pigs and horses for slaughter, meat from these animals for human consumption, fresh, frozen or salted; sausages, canned meat, etc., made wholly or partly of meat of the above-mentioned animals; animal fats (bacon, lard, suet, etc.).

Three boards have been established which are concerned with the marketing of these products. For products quoted under items (ii) and (iii) above, imports are controlled. The Grain Compensation Board and the Board for Livestock and Meat prepare annual import programmes for cereals and milling products and for slaughter animals and meat products, respectively, in which volumes, timing and qualities of imports are determined. When imports are to take place, tenders are invited of which the most attractive are accepted. This acceptance constitutes the prerequisite for the delivery of an import licence according to the Foreign Trade Law of 1956, as amended by the Foreign Trade (Amendment) Law of 1958.

In the allocation of licences among importers, each application is treated on its merits, consideration being given inter alia, to, price, quality, the market situation and, in certain cases, the capacity of the importers concerned. If applications exceed the amount of the import quota, licences in general are granted on a pro rata basis. In some cases, the reference period system is used, but consideration is given to other factors so that, as far as possible, equal and fair treatment is given to all applicants.

In principle it is irrelevant from what country it is intended that the importation should be made and care is taken to see that the obligations under trade agreements are met by licensing imports within the framework of bilateral quotas. No guarantees or deposits are required in Austria under the ETL.

G. Prohibition of imports

No import prohibitions of a commercial nature are provided for in the Austrian legislation. Import prohibitions for other reasons, in accordance with the principles of Article XX of GATT are to be found, among others, in the following Laws:

Health Protection Law (Gesundheitschutzgesetz) of 3 July 1952
(BGBL 163/1952)

The competent Ministries may, under certain conditions, prohibit the manufacture, the import or export and the sale of: pharmaceutical products, sera and bacteriological preparations, medical instruments and apparatus; surgical thread material, surgical dressing material of all kinds; objects either permanently or temporarily inserted into the human body (artificial organs, bone seals and silver skull plates, artificial teeth, etc.); disinfectants and other chemically manufactured drugs and preparations serving for sanitary purposes.
Foodstuff Law 1951 (Lebensmittelgesetz 1951), BGBl 239/1951

Under this Law ordinances have been issued for the protection of health in trade in: foodstuffs, toys, wallpaper, wearing apparel, eating or drinking utensils, as well as utensils and devices used for cooking or storing of foodstuffs or in connexion therewith; scales, measures and other measuring instruments used in connexion with foodstuffs and kerosene.

Narcotics Law 1951 (Suchtgiftgesetz 1951), BGBl 234/1951

Narcotics (materials and preparations which owing to their nature may cause people to become addicts) are subject to restrictions under international agreements.

Poison Law 1951 (Giftgesetz 1951), BGBl 235/1951

This Law regulates trade in, and handling of, poisons.

Animal Diseases Law (Tierseuchengesetz), BGBl 177, 6 August 1909, for the prevention and elimination of animal diseases. Articles 4, 5 and 6 of this Law are the legal basis for the veterinary ordinance concerning import and transit of animals. BGBl 200/1955.

Plant Protection Law (Pflanzenschutzgesetz) of 2 June 1948, BGBl 124/1948

The Law provides that objects of any kind infected with a dangerous plant pest or plant disease may neither be imported nor pass through the country in transit if this pest or disease is likely to be brought into the country thereby. The Plant Import Ordinance of the Federal Ministry for Agriculture and Forestry of 15 August 1954, BGBl 236/1954 supplements this Law.

Law concerning the trade in fruit trees (Bundesgesetz über den Verkehr mit Obstpfanzgut) of 30 October 1958, BGBl 243/1958

According to this Law fruit trees or stocks must be, before being marketed, provided with labels indicating the variety, the stocks, the country of origin and the name and address of the firm selling the trees in Austria. In addition, quality standards fixed by decree of the Federal Ministry for Agriculture and Forestry have to be met.

Comparison of Imports according to Import Categories (Millions of Schillings)

<table>
<thead>
<tr>
<th></th>
<th>1956</th>
<th>1957</th>
<th>1958</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberalized imports from OEEC area</td>
<td>15,883</td>
<td>19,179</td>
<td>18,564</td>
<td>18,070</td>
</tr>
<tr>
<td>United States and Canada</td>
<td>1,357</td>
<td>2,117</td>
<td>2,223</td>
<td>1,888</td>
</tr>
<tr>
<td>Imports under trade agreements</td>
<td>5,675</td>
<td>5,690</td>
<td>5,445</td>
<td>6,791</td>
</tr>
<tr>
<td>Other imports</td>
<td>2,404</td>
<td>2,352</td>
<td>1,643</td>
<td>3,005</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25,319</strong></td>
<td><strong>29,338</strong></td>
<td><strong>27,825</strong></td>
<td><strong>29,754</strong></td>
</tr>
</tbody>
</table>
3. Treatment of Imports from Different Sources

Imports not covered by the ETL control are admitted freely and without licence from all sources. The following description therefore relates only to imports included in the Annexes B.1, B.2 and B.3 to the External Trade (Amendment) Law of 1958. For this purpose sources of imports may be divided into four main groups, viz.:

(a) OEEC countries and their overseas territories.
(b) Canada, United States and its dependent territories.
(c) Non-OEEC countries with which bilateral agreements are in force.
(d) Other countries.

(a) The OEEC countries and their overseas territories

For goods specified in the OEEC liberalization list and originating from OEEC Member countries, imports are admitted without licence.

For goods subject to ETL control and not included in the above-mentioned list, imports may be made within the framework of bilateral quotas or under discretionary licensing. Austria has concluded bilateral trade agreements with the following OEEC countries: Denmark, Federal Republic of Germany, France, Greece, Ireland, Iceland, Italy, Benelux countries, Norway, Portugal, Sweden, Switzerland and Turkey.

(b) Canada, the United States and dependent territories

Goods specified in the liberalization list for these countries may be imported without restriction. Import licences for their importation are granted automatically.

(c) Non-OEEC countries with which bilateral agreements are in force

Imports are made on licences granted within the framework of bilateral quotas, or on a case-by-case basis. Austria has concluded bilateral trade agreements with the following countries outside the OEEC: Argentina, Bolivia, Brazil, Bulgaria, Ceylon, Chile, Cuba, Czechoslovakia, Egypt, Hungary, India, Iran, Israel, Morocco, Pakistan, Poland, Rumania, Spain, Tunisia, Uruguay, the USSR and Yugoslavia.

Certain of these agreements do not provide for quota limits but only give lists of goods the exchange of which is considered desirable.

In general, licensing policy for imports originating from these countries depends on the situation of the bilateral account, the needs of the domestic market and the level of Austrian foreign exchange reserves.

(d) Other countries

Imports may be made only on licences granted on a case-by-case basis.

External trade with Eastern Germany continues to be regulated by an agreement concluded between the Austrian Federal Chamber of Commerce and the Chamber of External Trade of Eastern Germany. The agreement provides for quotas limited as to value. Licences are granted within the framework of these quotas.
4. Use of State Trading or Government Monopoly in Imports

State trading in Austria exists in the form of three fiscal monopolies, relating to tobacco (raw and processed) and tobacco products, salt and unprocessed and processed spirits.

Imports of tobacco (whether or not manufactured or processed) may be effected by the monopoly administration alone. In its purchasing operations, the monopoly administration is guided by commercial considerations and takes into account consumer preference while conforming to the rule of non-discrimination. The monopoly administration also ensures that foreign tobacco goods of high quality are imported to meet the demand of foreign tourists. The monopoly administration pays the consumption tax (tax on tobacco and reconstruction tax) as well as the turnover tax on such tobacco goods imported from abroad, as in the case of products manufactured from imported raw tobaccos admitted duty-free and blended with domestic manufactured raw materials. The tobacco monopoly also provides for certain exemptions in the case of diplomatic personnel, passenger traffic and small frontier traffic. The products included in the monopoly are thus subject to the same customs and fiscal treatment (consumption tax) as other imported goods.

The salt monopoly is essentially a production monopoly. While the right to import is reserved for the monopoly, this is virtually of no consequence since in fact domestic production is sufficient to meet demand. Only small quantities of medicinal salts (pure sodium chloride used for injections or sea salt used in hydrotherapy) are imported by private firms. Such transactions are authorized on a non-discriminatory basis, in the light of domestic requirements. Such imports are subject to a consumption tax (licence duty).

The right to import unprocessed and processed spirits (with the exception of rum, arrack, cognac and liqueurs) is also reserved for a State monopoly. The monopoly administration issues import licences, which are valid for imports from all sources, to private persons fully to meet domestic demand. Import licences are issued liberally for imports of well-known foreign brandies to meet the special demand of tourists. Upon importation such products pay a compensatory tax in the form of a consumption tax equivalent to that levied on domestic brands.

State trading, as operated under the three monopolies referred to above, affects only 1.54 per cent of Austria's total trade of the past three years, and unmanufactured tobacco accounts for a large proportion of this percentage. The application of national monopoly regulations does not involve any open or hidden discriminatory or restrictive practices. The operation of these monopolies is based on purely commercial considerations.

Austria has also prepared for the introduction of State trading for cereals by drafting the necessary legal basis, namely an Amendment to the Marketing Law of 17 December 1958, BGBL 276/58 in the wording of the Federal Law BGBL 282/59, which has been submitted to the Austrian Legislative bodies. Already the Marketing Law includes regulations concerning cereal imports to Austria. The draft of the Amendment to this Law lays down that in future cereal imports shall be carried out by the State. The regulation foreseen will be in accordance with the legislation of the most important European cereal importing countries with State trading for cereals.
5. Measures Taken in Recent Years to Relax Restrictions

The general policy, as indicated in the ETL, is to limit and reduce as far as possible the use of import controls. This policy has been given expression in the ETL of 1956 and the Amendment Law of 1958 through the progressive reduction of the number of products subject to ETL control.

The activities of OEEC and EPU have contributed to Austria's efforts towards gradually abolishing import restrictions by reciprocally opening up markets and by placing payments on a multilateral basis.

In 1953, when measures taken by the Austrian Government with a view to stabilizing the economy began to show effects, the unification of the exchange rate was followed by the establishment of the first liberalization list on 1 July 1953, by which 35.8 per cent of imports from OEEC countries were freed from quantitative restrictions. The economic rehabilitation of Austria as well as the improvement of the balance-of-payments situation enabled a gradual expansion of liberalization during the following years, and the percentages reached at successive stages are as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 December 1953</td>
<td>50.6%</td>
</tr>
<tr>
<td>1 March 1954</td>
<td>60.6%</td>
</tr>
<tr>
<td>1 April 1954</td>
<td>75.6%</td>
</tr>
<tr>
<td>1 December 1954</td>
<td>82.4%</td>
</tr>
<tr>
<td>1 July 1955</td>
<td>83.5%</td>
</tr>
<tr>
<td>1 January 1956</td>
<td>90.3%</td>
</tr>
</tbody>
</table>

Liberalization of imports from the United States, its dependent territories and Canada has been extended. Since 15 October 1958 nearly all industrial products that are freed for imports from OEEC countries have been liberalized also for these dollar countries. Thus the discrimination against imports of industrial products from these sources has been eliminated. In the agricultural sector, a substantial proportion of imports from the dollar area consists of cereals, products which, owing to their particular supply and demand conditions, are the subject of State trading or direct regulation in many countries. The Austrian trade in these products is presently regulated under an annual import programme established in accordance with the Marketing Law. Insofar as such imports remain under licensing control, the level of dollar liberalization, expressed as a percentage of actual total imports in a preceding year (1954), is greatly reduced. This explains why, although the OEEC and dollar liberalization lists have been brought nearly into line with each other, the percentage level of dollar liberalization is still apparently lower than that of the liberalization of OEEC imports.

List of Annexes

I. List of Imports exempt from Licensing Control.

II. Goods exempt from licensing requirements as a result of the Agreement on the Importation of Educational Scientific and Cultural Materials of 22 November 1950 (UNESCO).

III. List of Current Global Quotas.
ANNEX I

LIST OF IMPORTS EXEMPT FROM LICENSING CONTROL

(1) Imports of commodities in accordance with Sections 30 to 40 of the Customs Act 1955, BGBl 129. Some of the commodities in question are listed below:

30. Objects of negotiations between authorities and public services, files, documents, records and papers;

monopoly commodities, and raw materials and semi-finished products necessary for their manufacture, if purchased by the Austrian Monopoly Administration;

building material and certain supplies necessary for the service of feeder lines, junctions and the operation of foreign public transport enterprises on Austrian territory;

legal tender and securities.

31. Commodities serving scientific, educational and similar purposes. Under this heading are included:

scientific and artistic objects, animals, plants and minerals intended for collections; works of Austrian artists temporarily residing abroad; documentation, educational materials, etc. for scientific and educational purposes.

32. Specific agricultural and forestry products of estates through which a frontier runs, etc.

33. Commercial samples and specimens.

34. Personal luggage of travellers.

35. Means of transportation of domestic origin and fuel therein as well as receptacles for specific purposes.

36. Used articles imported during transfer of residence.

37. Dowries.

38. Used articles obtained by inheritance.

39. Gifts under special conditions.

40. Diplomatic and consular property, as defined in the Customs Act.
(ii) Goods under customs bond not yet cleared.

(iii) Imports of commodities for which customs tariff facilities are granted in accordance with inter-governmental agreements concerning frontier traffic.

(iv) Temporary duty-free imports of commodities, with the exception of commodities imported temporarily for sale or return or on trial or if temporarily imported commodities remain within the country.

(v) Consignments of goods returned according to Sections 42 and 43 of the Customs Act 1955, BGBl 129.

(vi) Commercial consignments with an import value below Schillings 500, the Federal Ministries may decree exceptions for the protection of home production (see Ordinances 103 and 104, BGBl 103/104/1957).

(vii) Imports of gift packages up to a value of Schillings 1,000 of pharmaceutical products and wine only up to a value of Schillings 500.

(viii) Imports of goods for the personal use of tourists up to a value of Schillings 2,600.

(ix) Imports of grouped consignments from charitable organizations.

(x) Imports of medals and currency coins out of circulation and of a numismatic value.

(xi) Imports of catalogues, price lists and trade notices from countries, parties or non-parties to the International Convention to Facilitate the Importation of Commercial Samples and Advertising Material as listed under Article IV of that Convention and published in the BGBl 187/1956, insofar as they meet the requirements of this Article.

(xii) Imports of tourist publicity documents and advertising materials for tourist trade as listed in Article 2 of the Additional Protocol to the Convention concerning Customs Facilities in Tourist Traffic, relating to the Importation of Tourist Publicity Documents and Material, BGBl 131/1956, from countries, parties or non-parties to this Protocol.
GOODS EXEMPT FROM LICENSING REQUIREMENTS AS A RESULT OF THE AGREEMENT ON THE IMPORTATION OF EDUCATIONAL, SCIENTIFIC AND CULTURAL MATERIALS OF 22 NOVEMBER 1950 (UNESCO).

(a) Books and publications consigned to public libraries and collections and to the libraries and collections of public educational, research or cultural institutions.

(b) Official Government publications, that is, official, Parliamentary and administrative documents published in their country of origin.

(c) Books and publications of the United Nations or any of its specialized agencies.

(d) Books and publications received by the United Nations Educational, Scientific and Cultural Organization and distributed free of charge by it or under its supervision.

(e) Publications intended to promote tourist travel outside the country of importation, sent and distributed free of charge.

(f) Articles for the blind:

(i) Books, publications and documents of all kinds in raised characters for the blind;

(ii) other articles specially designed for the educational, scientific or cultural advancement of the blind, which are imported directly by institutions or organizations concerned with the welfare of the blind, approved by the competent authorities of the importing country for the purpose of duty-free entry of these types of articles.
# ANNEX III

## LIST OF CURRENT GLOBAL QUOTAS

### A. Quotas for OEEC Countries

<table>
<thead>
<tr>
<th>Tariff Number</th>
<th>Products</th>
<th>Amount of the global quota in millions of Austrian schillings</th>
</tr>
</thead>
<tbody>
<tr>
<td>ex 56.05</td>
<td>Special woollen yarns (Flammé-, Jaspé-, Mélè-, Phantasie-, Effect-, Lenasel- and Dylene yarns)</td>
<td>20.0</td>
</tr>
<tr>
<td>55.06)</td>
<td>Cotton yarn put up for retail sale</td>
<td>1.5</td>
</tr>
<tr>
<td>56.06)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ex 56.07 B</td>
<td>Fabrics of cellulose wool, printed</td>
<td>2.5</td>
</tr>
<tr>
<td>ex 55.09 A</td>
<td>Furnishing fabrics made of cotton or cellulose wool, whether or not woven with pile</td>
<td>2.0</td>
</tr>
<tr>
<td>ex 56.07 A</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ex 57.09</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ex 57.11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>58.04 A1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>58.04 B1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>58.04 B</td>
<td>Furnishing fabrics made of wool, whether or not woven with pile</td>
<td>4.0</td>
</tr>
<tr>
<td>ex 90.03</td>
<td>Mountings for eye glasses of all kinds</td>
<td>4.0</td>
</tr>
<tr>
<td>92.04 A</td>
<td>Accordions</td>
<td>5.0</td>
</tr>
<tr>
<td>ex 39.01</td>
<td>Certain plates of laminated paper of artificial resins</td>
<td>24.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>63.0</td>
</tr>
</tbody>
</table>

### B. Quotas for GATT and OEEC Countries

A global quota has been established for the period from 1 October to 30 September for GATT and OEEC countries of 120,000 kgs. or Austrian schillings 6 million for flowers, plants and leaves (fresh). There is also a global quota for imports from all sources of 90,000 hectolitres of wine, including Vermouth wine and sparkling wine made from grapes.