The Government of the Federal Republic of Germany undertakes to liberalize the products listed in this Annex in accordance with the following terms and conditions:

(a) it will develop and apply appropriate measures designed to ensure the elimination of the restrictions within a period of five years;

(b) it will grant to other contracting parties a fair and reasonable share of the market for the product concerned;

(c) it will increase the global quotas granted under the present system to countries outside the OEEC area, in accordance with the programme outlined for each product below, with a view to the progressive relaxation of each restriction during the period referred to in sub-paragraph (a) above and to the progressive elimination of the existing discrimination during that period;

(d) it will submit annual reports to the CONTRACTING PARTIES in such detail as may be required, and setting out:

   (i) the progress made in the relaxation of the restriction authorized;
   (ii) the result of the measures taken to ensure the elimination of the restriction;
   (iii) any change it may be proposing in the method of application of the restriction; and
   (iv) if it is found necessary to maintain the restriction, the reasons for such maintenance.

On the basis of the reports referred to in sub-paragraph (d) above and of any other data which may be submitted to them by other contracting parties, the CONTRACTING PARTIES shall review annually the operation of the restrictions to which this annex applies. If in the course of such a review, they find that the application of any restriction is no longer consistent with the conditions and limitations imposed by them or with the undertakings given by the Government of the Federal Republic of Germany in this Annex the concurrence covering that restriction shall cease to be valid after a date specified by the CONTRACTING PARTIES unless the application of the restriction is brought into conformity with the terms of the concurrence by that date.
List of Products

Product:  Woven fabrics of jute
Tariff item number:  5710

Product:  Bags of jute for packaging
Tariff item number:  ex 6203-B

NOTE: The Government of the Federal Republic of Germany undertakes to increase the annual global quotas for these items by

Product:  Imitation pearls
Tariff item number:  ex 7019

NOTE: The Government of the Federal Republic of Germany undertakes:

(1) that the global quota for the second half of 1959 in respect of this item shall be not less than DM 35,000, and

(2) that it will increase the annual global quota
   - by at least 15 per cent for 1960
   - by at least 20 per cent for 1961
   - by at least 25 per cent for 1962
   - by at least 30 per cent for 1963
   - by at least 30 per cent pro rata as of 1 January 1964.

The percentage increase shall be based on the quota for the preceding year, except in the case of the 15 per cent increase as of 1 January 1960 which shall be based on twice the quota for the second half of 1959.
Product: Neat leather

Tariff item number: ex 41.02 B

NOTE: The Government of the Federal Republic of Germany undertakes:

(1) that the global quotas for the second half of 1959 shall be not less than DM 300,000 for neat leather undressed and not less than DM 630,000 for neat leather dressed, and

(2) that it will increase the annual global quotas

- by at least 15 per cent for 1960
- by at least 20 per cent for 1961
- by at least 25 per cent for 1962
- by at least 30 per cent for 1963
- by at least 30 per cent pro rata as of 1 January 1964.

The percentage increases shall be based on the quotas for the preceding year, except in the case of the 15 per cent increase as of 1 January 1960 which shall be based on twice the quotas for the second half of 1959.