At the meetings on 1 to 2 May 1962, representatives of various contracting parties made statements describing action which their governments had taken or intended to take to remove quantitative restrictions affecting products examined by Committee III. In some cases, they also outlined the scope and nature of their remaining restrictions. This paper sets out in summary form the main points of such statements.

Australia

The position is set out in COM.III/79. Seven of the items under discussion by the Committee are still licensed on a non-discriminatory basis, six of these items being licensed for purposes of statistical control. Licences on the remaining item, aluminium, are issued on a case by case basis. No less-developed country was a main supplier of the unwrought metal. One less-developed country had recently, however, become a major supplier of waste and scrap which were licensed freely. Licensing for statistical purposes had been found indispensable as no suitable method had been found to replace it.

Austria

Certain products mentioned as restricted in COM.III/72 had been liberalized on 1 January 1962 i.e. finished leather, electric fans, sports goods, copper products, steel furniture and some bicycle parts.

The representative for India, referring to the restrictions still remaining on simple manufactures, noted that, although Austria had held consultations with less-developed countries and provided for quota access to its market, this was no substitute for complete liberalization.

The representative of Austria recalled that his country had only recently emerged from balance-of-payments difficulties. Considerable progress had been made in the short period available.

1To be attached to the report of Committee III as Annex I.
Belgium - Luxemburg

A correction should be made in COM.III/72. The remaining restriction on castor oil is not protective, and it is hoped that restrictions could be removed in Belgium - Luxemburg and in exporting countries.

Canada

No quantitative restrictions on items under discussion in the Committee.

Ceylon

Most restrictions are maintained for balance-of-payments reasons. Remaining restrictions for protective purposes - releases for these have been granted by the CONTRACTING PARTIES under Article XVIII:C.

Chile

Recent balance-of-payment difficulties have made necessary temporary emergency measures. Statement to be made at next Council meeting as announced in L/1755.

Denmark

Restrictions remained on nine items out of the twenty-nine under discussion in the Committee. In most cases only fractions of those items were subject to restrictions. The products involved are coffee, some oilseeds and vegetable oils, artificial or reconstituted wood, woven badges etc. of cotton, certain cotton and jute sacks and bags, some internal combustion engines of less than 50 cc. capacity, electric motors, bicycles and some balls. It is envisaged that woven badges will be liberalized on 1 July 1962, and vegetable oils on 1 January 1963.

The representative of Denmark confirmed, in answer to a question, that any liberalization of coffee would be extended to all GATT countries without discrimination.

Finland

Some jute and coir manufactures (57.09 and 57.11) and steel furniture (Chapter 94) had been liberalized since the last meeting of the Committee. Global quotas still remaining had been increased annually. The last increase took place on 1 January 1962 and applied to all GATT countries except Cuba, Czechoslovakia, Greece, Israel, Japan, Poland, Turkey and Yugoslavia.
France

Document COM.III/72 listed five products (tea, lead, copper, timber and cotton) as unrestricted. To these should be added iron ores, aluminium, alumina and bauxite, finished leather, leather goods, leather footwear, internal combustion engines, electric fans, phosphates, copper products and steel furniture.

Although formally restricted, no problems had arisen on the majority of the remaining items under discussion in the Committee. Items in this category are cocoa, oilseeds and vegetable oils, electric motors, sports goods, coir manufactures (all of which are only partially restricted) and sewing machines, bicycles, cement and ferro-chrome and ferro-manganese. Problems awaiting solution remained on four restricted items: coffee, on which discussions are being held in Washington; cotton textiles, which are the subject of the short and long-term Geneva Agreements; jute manufactures, regarding which problems arising from rapid expansion of imports are faced and for which reasonable quotas had been opened on a bilateral basis; and coir manufactures on which some problems existed as in the case of jute manufactures and for which a quota has been opened and increased.

The delegate of India called attention to the fact that the French restrictions were not in any way justified under the GATT, and that some of these restrictions were applied in a discriminatory manner. France was urged to take early action on cotton textiles, jute manufactures and coir manufactures.

The representative of Pakistan observed that if, as the French representative had stated, no problem existed on certain of the restricted products, these restrictions should be removed as soon as possible.

The representative of Brazil stated that French restrictions on semi-manufactures of cocoa discriminated against some less-developed countries. Talks on coffee were being held in Washington, but would not bring about a complete solution. The Indonesian delegation supported this statement.

Federal Republic of Germany

It was reported that restrictions on épingle or frisé of cotton, knitted underwear of cotton, and for outer garments of cotton terry towelling, would be removed by the end of 1962, on cotton gauze, woven fabric of cotton for padding, by the end of 1964. Restrictions on jute manufactures would be removed by the end of June 1964 and on finished leather by the end of May 1964.

Difficulties still remained on some products. Refined and hardened edible vegetable oils were governed by the German Marketing Laws and global quotas had been established which had, however, not been fully taken up.
Quotas had been increased on certain cotton textiles (handkerchiefs, household linen and certain types of woven fabrics, of outer garments, of underwear, and of velvet and plush) under the Geneva Agreement. Global quotas were to be increased on woven carpets of coconut fibres.

Stable economic conditions in the Federal Republic ensured an increasing demand for the products of less-developed countries.

Ghana

In COM.III/72 the remarks against all restricted products should read: "subject to import licensing". Licensing had recently been introduced for balance-of-payments reasons. Consultations under Article XVII:12(a) would be held in GATT next week.

Greece

Only a few products still restricted, internal combustion engines, electric fans, electric motors, cotton textiles and sesame oils. COM.III/72 should be corrected accordingly. The possibility of removing these restrictions is always under consideration.

India

Restrictions noted in COM.III/72 are maintained on balance-of-payments grounds in strict conformity with the GATT.

Indonesia

Restrictions are maintained for balance-of-payments reasons.

Italy

Reference in COM.III/72 to restrictions applied to List C countries is not worth retaining. This list no longer applies to Israel, and bilateral agreements have been made with the other contracting parties on this List. Restrictions remained on oilseeds and vegetable oils (imports of crude linseed and soya oils subject to quota), and on cotton textiles (tulle, certain articles of tulle and other cotton net fabrics are subject to ministerial licences when imported from most contracting parties and to import quotas).
Japan

Items of interest to the Committee liberalized in past six months include certain cocoa preparations, coconut and palm oils, jute manufactures and steel furniture. Most products examined by the Committee are expected to be liberalized in the near future. However, considerable difficulties remain and removal of import restrictions on black tea, a few types of oilseeds and vegetable oils and certain finished leather and leather manufactures. Global quotas for these products are expected to be increased progressively.

In response to questions, the representative of Japan said that difficulties remained on black tea as this was an infant industry and that it was not Japan's aim to become self-sufficient in this product. It was also stated that Japan's leather goods industry was handicapped by the deterioration in quality of raw hide, 90 per cent of which had to be imported, and to the small units of production in this industry. The representative of Brazil drew attention to the maintenance of restrictions on some processed goods including cocoa, castor oil and cotton.

Netherlands

The Netherlands should be removed from the list of countries shown as having restrictions on coffee in COM.III/72. The remaining restriction on castor oil is not protective, and it is hoped that restrictions could be removed in the Netherlands and in exporting countries.

Nigeria

No import restrictions are in force.

Norway

Quantitative restrictions only remained on vegetable oils and on coffee. Restrictions on the former are to be abolished on 1 July 1962. Licences on coffee are issued liberally, the restrictions not being protective.

Pakistan

Restrictions made necessary by the adverse balance of payments.

Rhodesia and Nyasaland

Of twenty-nine items examined in the Committee, restrictions were maintained on:

(i) Jute grain bags. No local production, licences freely issued.
(ii) Cotton textiles. Some cotton piece goods restricted from Japan and Czechoslovakia.

(iii) Used clothing subject to non-discriminatory quota.

(iv) Certain oilseeds and vegetable oils.

Sweden

No quantitative restrictions maintained on Committee III products.

Turkey

Restrictions in force are for balance-of-payments reasons, and are applied without discrimination. Two more products have recently been liberalized: jute cloth and sewing machines and parts.

United Kingdom

For goods privately imported the United Kingdom maintains no restrictions affecting the export by less-developed countries which are contracting parties to GATT of products considered by Committee III, other than cigars.

United States

Some items which had been examined by the Committee were still restricted. Restrictions on some agricultural commodities were applied under Section 22 of the Agricultural Adjustment Act. They are subject to periodic examination by the CONTRACTING PARTIES under the United States waiver. (Cf. the latest report on these products in L/1549 and the report of Working Party in L/1660.) Imports of tung nuts and tung oil have been freed of restrictions from 2 May 1962.

Restrictions remain on lead and zinc and are applied under escape clause action. The situation on these products will be reviewed by the United States Tariff Commission in October this year.

Imports of certain cotton textiles from Hong Kong are subject to restrictions. Imports from Spain of certain cotton textiles may be placed under restriction, following the exhaustion of the United States import quota fixed for that country under the Geneva arrangements.