INFORMATION SUPPLIED BY THE FEDERAL REPUBLIC OF GERMANY

At the request of the Chairman of the Panel, the Deputy Executive Secretary wrote on 8 June to the governments of the fifteen contracting parties concerned requesting relevant information on the restrictive measures mentioned by Uruguay (cf. Spec(62)151). Below is reproduced the text of the substance of a letter from the German Government dated 17 July 1962.

The following comments are given on the import restrictions of the Federal Government of Germany listed in document L/1662.

1. Import permits and quota systems (symbols 1 and 8)

Restrictions are still in force for the following products:

- ex 41.02 Neat leather
- ex 53.07 Yarn of combed wool, not put up for retail sale, raw, other than hard worsted yarns, bleached, dyed or printed
- ex 53.11 Woven fabrics of wool or of fine animal hair, other than for padding and felt cloth

The remaining items have been liberalized.

There are global quotas for neat leather (ex 41.02) and woven fabrics for furnishings and interior decoration of wool or fine animal hair the importation of which will be liberalized on 1 June 1964 or 1 January 1965 at the latest; for the remaining products exist import possibilities on the basis of the current licensing system.

The import restrictions of the Federal Republic of Germany that have been mentioned are covered by waiver granted to the Federal Republic of Germany on 30 May 1959 (BISD Eighth Supplement page 31).

Within the frame of global quotas Uruguay has the same import possibilities as other contracting parties concerned. Applications for imports of products from Uruguay on the basis of the liberal licensing system have so far always been granted in full provided that such applications were submitted at all.
2. **State trading, variable charges or duties on imports, and regulations relating to the proportion of imports (symbols 2, 4 and 7)**

The goods listed are subject to the German marketing laws that were already in effect on 1 October 1951, the date of the accession of the Federal Republic of Germany to the General Agreement. The restrictions based on them are therefore in conformity with the rules of GATT.

In the foreseeable future, beef imports will be regulated according to rules of EEC that have not yet been laid down. The present proposal of the Commission provides that, in principle, there will be no quantitative restrictions for imports from GATT countries. The same applies to preserved beef and offals.

Imports of meat of sheep and lambs into the Federal Republic are restricted and amounted in 1959/61 to an annual average of about 600 tons. They were mainly purchased from the principal overseas supplier countries that, on average, accounted for more than 80 per cent of world exports in 1957/59.

Under the EEC arrangement to enter into force shortly, imports of wheat, flour of wheat, and barley will no longer be subject to quantitative restrictions as a principle (see GATT document L/1771/Rev.1).

Since 1959 there have been no quantitative restrictions for rice imports.

3. **Discrimination (symbol 3)**

With respect to the alleged discrimination against Uruguay in the case of chilled beef imports, it should be noted that in one case objections were made on grounds of health regulations to the import of this type of meat from a number of countries, among them Uruguay. These objections were only dropped in 1961 after the German law governing meat inspection had been amended.

In any case, the Uruguayan share in German beef imports has reached an adequate amount. Uruguay whose share in the world exports of beef and veal (fresh, chilled or frozen) amounted to about 3 per cent on the annual average 1957/59 (FAO statistics) supplied more than 12 per cent of the German imports in terms of quantity in the average of the years 1959/61. In 1959 (the last year for which FAO statistics are available) the Federal Republic purchased about one third of the Uruguayan beef exports. Until 1961, these imports from Uruguay experienced an increase of more than 25 per cent.

Combed wool (tops) (53.05) being liberalized - cf. note 1 - there is no discrimination against Uruguay.

4. **Production or turnover taxes (symbol 9)**

The explanations given regarding this type of restriction are not comprehensible. The products in question are not liable to any special tax apart from the general fiscal treatment.