

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

COM.TD/66
21 May 1969

Limited Distribution

Committee on Trade and Development

REPORT OF THE GROUP ON RESIDUAL RESTRICTIONS

1. At its thirteenth session, in February 1969, the Committee on Trade and Development discussed the question of residual import restrictions on products of export interest to developing countries in the light of developments at the twenty-fifth session of the CONTRACTING PARTIES. The Committee agreed that the Group on Residual Restrictions should be reconvened to resume examination of the restrictions and suggested that this examination might be carried out on a product-by-product basis. A meeting of the Group was accordingly held from 14 to 16 April under the chairmanship of Mr. G.J. Hall (Australia). Members of the Group expressed gratification at the decision of the French Government, announced at the twenty-fifth session, that France would from now on participate fully in the work of the Committee on Trade and Development and its subsidiary bodies. The Group welcomed the presence of the French delegation.

2. As the basis of its deliberation, the Group had before it a new list in which the restrictions were shown under twenty-five product headings (COM.TD/W/93). The restrictions listed in this paper were generally the same as those enumerated in the previous lists (COM.TD/62 and Add.1-5 and COM.TD/W/85). The Group was also provided with a paper containing statistical data relating to imports into developed countries of the products subject to restriction (COM.TD/W/95).

3. During the discussion, the representatives of certain developed countries informed the Group of certain measures of liberalization recently taken by their governments and requested that the items in question be removed from the list, notably the following:

Denmark

cx 02.01	Meat and edible offals of the animals falling within heading No. 01.01, fresh, chilled or frozen
ex 02.06	Meat and edible offals of the animals falling within heading No. 01.01, salted, in brine, dried or smoked
ex 07.01	Spinach, fresh or chilled
ex 07.03	Spinach, provisionally preserved
ex 16.02	Other prepared or preserved meat or meat offal of the animals falling within heading No. 01.01

Italy

ex 12.04 Sugar cane
25.03 Sulphur of all kinds
28.02 Sulphur, sublimed or precipitated, colloidal sulphur

France

58.04 Woven pile fabrics and chenille fabrics (other than cotton)
58.05 Narrow woven fabrics etc. (other than cotton)
ex 64.01 Certain types of ankle boots and footwear
ex 73.15 Alloy steel and high-carbon steel
ex 82.14 Spoons, forks etc. of stainless steel or with handles of gilt
 or silvered base metal
ex 90.01 Optical elements and other articles

Japan

70.06 Ground or polished glass

4. It was agreed that the secretariat would issue a revised version of document COM.TD/W/93, taking into account the above changes and any other modifications or corrections notified by delegations.¹ In response to a request made by the representative of the United Kingdom on behalf of Hong Kong, the French delegation indicated that it was prepared to notify the Group of the two tariff items on which France applies restrictions on imports from Hong Kong which were not applicable to imports from other contracting parties. The secretariat was asked to take this into account in the compilation of the revised list of import restrictions. The representative of the United Kingdom on behalf of Hong Kong, while expressing appreciation for this offer, added the hope that these two products could be liberalized at an early date.

5. The Group recalled that at its last meeting a number of developing countries had made representations to certain developed countries with respect to specific restrictions, and invited statements from representatives of the developed countries concerned. With reference to certain representations made to his Government at the last meeting the representative of Austria stated that unfortunately it had not been possible for Austria to take any action in respect

¹The revised list is circulated as COM.TD/67.

of the items in question, namely ex 01.01A (horses for butchering), ex 08.06 (apples and pears) and 16.03 (meat extracts and meat juices). These import restrictions were closely related to problems of agricultural policy which were manifold and complex and it was difficult for Austria, as for many other countries, to liberalize those imports without a solution being found to agricultural problems in general. Austria was, however, prepared to give careful consideration to any possibilities of taking concerted action with other developed countries. Such action should not only cover quantitative restrictions but also all other measures and schemes having similar effects. With respect to jute manufactures, the representative of the Commission of the European Communities reported that some progress had already been achieved in the bilateral discussions which were taking place between the Communities and the major supplying countries and it was hoped that they would lead rapidly to a mutually satisfactory conclusion. The representative of the United Kingdom stated that since the last meeting of the Group, the United Kingdom had, in November 1968, announced a new system of import control on jute products. Under the new arrangements, which had been formulated in consultation with major supplying countries and which would come into force on 1 May 1969 there would be about a 25 per cent increase in the access to the United Kingdom in volume terms for the products in the range under control. The United Kingdom hoped that it would be able to continue to make progress in the direction of further liberalization for these products. As regards the bilateral discussions on black tea imports into Japan the Japanese delegation indicated that such consultations had been started between Japan and a major exporting country and expressed the hope that the consultations which were in progress would soon lead to a mutually satisfactory conclusion. Japan was ready to enter into similar consultations with any other developing country interested in this product.

6. The representative of India, commenting on the statement by the United Kingdom representative, stated that his Government had agreed to the introduction of the new arrangement in the hope that this would enable the British jute industry to overcome its present difficulties and that it would be possible for the United Kingdom to fully liberalize trade in jute products at an early date. In regard to Japan, he confirmed that some preliminary discussion had been held recently in Tokyo on black tea. It was the hope of his Government that these would very soon lead to a mutually satisfactory conclusion.

7. On the basis of document COM.TD/W/93, the Group discussed the restrictions mentioned under each of the twenty-five product headings. This discussion took place on the basis of questions raised or representations made by delegations of developing countries. These generally related to the prospects of liberalization, the methods and criteria used in the restriction of imports, considerations determining the sources of supply and the causes & factors underlying the present pattern of imports, especially where disproportionately high volumes of a product were being imported from developed countries as compared with similar imports from developing countries.

8. In the course of the discussion representatives of developed countries referred to various reasons for which the import restrictions were maintained. With regard to agricultural products it was stated in some cases that the restrictions formed part of their general agricultural policies which were maintained to deal with a variety of economic and social problems. The restrictions could not be removed until a solution had been found for those problems or until the general problem of agricultural protectionism had been solved through international action. In relation to certain items in the flowers and vegetables groups it was noted by representatives of developed countries that some of the restrictions were applied on a seasonal basis. In most cases such restrictions were not operative during fairly long periods each year. During these free periods when imports were not subject to any restriction developing countries, in their view, could very well take advantage of the differences in seasons and expand their exports to these markets. It was also noted that in the experience of some developed countries removal of seasonal restrictions would have the effect of discouraging imports on account of the fall in the price level. The representatives of some developing countries pointed out that as seasonal restrictions were applied by different countries at different times of the year they presented real obstacles to exporting countries in planning new crops or developing production on a long-term or stable basis.

9. The representatives of some developing countries called attention to the fact that according to the statistics supplied by the secretariat, imports from developing countries into certain developed countries of a number of products subject to restriction were exceptionally low or even negligible whereas similar imports from developed countries were substantial. They enquired as to whether such patterns of imports had been the result of any discrimination in the application of the import restrictions. In most cases the developed countries applying the restrictions assured the Group that the restrictions were applied through global quotas which were available to all exporting countries participating in it without discrimination. In certain cases where the restriction was administered through discretionary licensing, licences were issued without distinction as to the sources of supply. While the unfavourable patterns of imports would thus seem to reflect the results of market forces, commercial considerations and consumer preference, the representatives of certain developing countries took the opportunity to assure the developed countries that the products of their respective countries were generally of a quality which compared favourably with those of developed country origin and urged the developed countries to endeavour to facilitate these exports of developing countries.

10. The questions and representations put forward by the developing countries in the course of the discussion, and the responses given by the developed countries are recorded in the secretariat notes on the discussions annexed to the present report.

11. The Group noted that in those cases where a representation or request was made by a developing country with respect to a particular import restriction the delegation of the developed country concerned had undertaken to convey it to the competent authorities for careful and sympathetic consideration. The Group hoped that at its next meeting many of these developed countries would be in a position to report further action in response to those representations or requests. As regards further work in the Group, it was noted that some of the products in question are currently receiving attention in other organs of GATT, notably the Agriculture Committee, and on some products active discussion of problems relating to trade was taking place also in other international organizations. In the circumstances the Group considered that in further pursuing its objective of seeking maximum liberalization it would concentrate its attention at this stage on a few selected items. It was agreed that for this purpose the Group at its forthcoming meeting might take up for examination products from the following list:

natural honey, cut flowers, potatoes, tomatoes, onions, citrus fruit, apples, pears and peaches, molasses, citrus juices, wine, ethyl alcohol, fish meal, bran, cigars and cigarillos, menthol, leather and leather products, yarn, fabrics and garments of non-cotton fibres, coir mats and matting, footwear made of leather.

12. The Group agreed that in respect of these products the secretariat should be asked to compile statistics on imports, consumption and production in the importing developed countries. The governments of developed countries should also be requested to supply all relevant information useful in a discussion of their existing trade policies relating to these products, in particular information on the economic or social difficulties that in their view would be created by the removal of the restrictions. It was suggested that the Group should reconvene later this year and that the documentation, both the statistical information to be compiled by the secretariat and the material to be supplied by governments, should be made available to members of the Group well in advance of, and in any case not less than six weeks before, the opening of the meeting. It was agreed that in the light of this documentation the Group at its next meeting would consider the best possible manner in which to proceed with the examination.

Annex

NOTES ON DISCUSSIONS ON THE RESTRICTIONS IN TWENTY-FIVE
PRODUCT GROUPS AS LISTED IN COM.TD/W/93

1. Live animals, meat and processed meat

No discussions.

2. Fish and processed fish

The representative of Peru enquired with the delegation of France about the prospects of liberalization with regard to item ex 16.04 (prepared or preserved sardines, tunny, bonito, mackerel and anchovy).

In reply, the French delegation explained that it was the policy of the French Government to proceed with liberalization as rapidly as possible. However, not much progress could be expected in respect of this item in view of the difficult social problems in the fish processing industry. The delegation appreciated the concern expressed and would convey the view of the Peruvian representative to the appropriate authorities for attention.

3. Dairy products, eggs and honey

The representative of Pakistan referred to the restriction maintained by France on item 04.06 (natural honey) and to the fact that the amount imported from developing countries was only a tenth of that imported from developed countries. As this was a product of which some developing countries, including Pakistan, were efficient producers, removal of the restriction would undoubtedly result in increased exports of these commodities.

The French delegation stated that the quota restriction on this item had been maintained in order to protect domestic production and to support the income level of producers. Moreover, maintenance of local production was necessary in order to ensure adequate and stable supply. In countries where imports had been liberalized it had been found necessary to subsidize local production. Nevertheless, small quantities were imported into France under quota within the framework of trade agreements to make up for deficit in local production. Furthermore, duties on the product had been cut during the Kennedy Round. In view of these the French delegation did not think that liberalization in the immediate future was feasible. While expressing understanding for the case put forward by the French delegation, the representative of Pakistan expressed the hope that more attention could be paid to imports from developing countries capable of exporting good quality honey. The French delegation assured the meeting that it had taken due note of the representation and would convey it to the attention of the competent authorities.

4. Flowers and bulbs

The representative of the United Arab Republic requested clarification from the countries maintaining restrictions on these products.

In reply the representative of Norway explained that restrictions on cut flowers were applied seasonally, that is during the periods of domestic production. Reference was made to the fact that in 1968/69 importation was free for four and a half months. He would, however, transmit the concern of the representative of the United Arab Republic to his Government. The delegation of France assured the Group that the concern expressed would be conveyed to the attention of the appropriate authorities. It should be noted, however, that France was faced with a peculiar difficulty in this sector in that substantial domestic production took place in the Mediterranean region where a shift into other production was difficult to carry out.

5. Vegetables and roots, and processed products

The representative of Pakistan referred to the restrictions imposed on onions by Norway, Belgium/Luxemburg and Austria. He stated that Pakistan was an agricultural country and had substantial surpluses of onions to export. Noting that only a third of the imports by these countries came from developing countries he questioned whether the restriction did not constitute an important barrier to the expansion of trade in a product in which developing countries were efficient producers. As the licensing system operated by these developed countries was discretionary, it could be used more in favour of developing countries. The representative of the United Arab Republic underlined the importance of some of the products to his country and requested clarification with regard to the restrictions maintained by Austria on onions and tomatoes (ex 07.01); by Denmark on onions, tomatoes and potatoes (ex 07.01); by Norway in respect of fresh onions and dry onions (ex 07.04); by Belgium and Luxemburg on onions and potatoes (07.01); by France in respect of onions dried or dehydrated (ex 07.04-A) and vegetables (ex 07.01); by the Federal Republic of Germany on potatoes other than for seed purposes (07.01) and vegetable preparations (20.01).

The representative of the Federal Republic of Germany explained that as far as potatoes for human consumption were concerned, they could be imported in unlimited quantities and without restriction until 25 May each year. Tomatoes could be imported without limitation from October to June. The restrictions maintained were mainly seasonal and in any case there were enough export possibilities open to developing countries.

The representative of Belgium stated in explanation that restrictions on some of the items were only seasonal, being enforced during periods of domestic production in order to sustain the income of the farmers; developing countries could easily take advantage of differences in seasons to expand their exports to the Belgian market. Onions and vegetables for preservation were completely free from restriction, restrictions being applied only to products for immediate consumption. Further, there was considerable importation of onions and tomatoes and the relatively large imports from developed countries might be explained by

geographical propinquity and traditional trade flows. Admittedly there was scope for greater promotional efforts on the part of businessmen of the developing countries interested in this market. The Belgian representative would not fail to transmit the concern to his Government.

The representative of India stated that while his delegation appreciated the need for seasonal restrictions in certain developed markets on some of these products, it could not but point out that as seasonal restrictions were applied by different countries at different times of the year, they presented real obstacles to exporting countries in planning new crops or developing production on a long-term or stable basis. Where discretionary licensing was used, it was to be hoped that it would be administered in a way conducive to increasing imports from developing countries.

The representative of Norway also stressed the seasonal nature of some of the restrictions maintained by Norway. In reply to the Indian delegation, he stated that discretionary licensing in his country was administered in a non-discriminatory manner. The Norwegian delegation would bring the representations to the attention of the Norwegian Government.

The representative of Canada pointed out that seasonal restrictions were used in Canada merely to influence prices and that their abolition would not necessarily affect the volume of imports.

With reference to item ex 07.06 (manioc and arrowroot) the representative of Brazil enquired with the delegation of Japan as regards the size of the global quota and whether there had been any increase in the quota since the Kennedy Round.

The representative of Japan stated that there had been an increase in the quota from 10,000 tons in 1967 to 11,500 tons in 1968.

6. Fruits and nuts, and processed products

No discussions.

7. Coffee and tea

The representative of Brazil recalled that the issue raised by his delegation at the last meeting of the Group concerning the restrictions maintained on coffee by Denmark had been dealt with to the satisfaction of his delegation during that meeting.

The delegation of Japan reported to the Group the progress made in the bilateral discussions instituted after the last meeting of the Group, and the current situation (see paragraph 5 of the report of the Group).

8. Cereals and processed cereals

The representative of Pakistan pointed out that as a producer of some of the finest varieties of table rice his country was particularly concerned about the restrictions maintained by Norway on this product of which its imports from developing countries amounted to only a third of its total imports from all sources. He suggested that the discretionary licensing might be administered in a manner more favourable to developing countries.

The representative of Norway, while promising to convey the representation to the attention of the appropriate authorities in Oslo, stated that liberalization of this item could unfortunately not be expected.¹

The representative of the Republic of Korea suggested that item ex 19.07 (rice crackers) should be added to the list of products on which restrictions were maintained by Japan. He informed the Group that differences of views existed between the two delegations in respect of this item, and that the matter would be taken up in bilateral consultations between the two Governments either in Seoul or Tokyo. The representative of Japan concurred in this.

9. Oilseeds and vegetable oils

No discussions.

10. Animal fats and oils and margarine

No discussions.

11. Sugar and sugar products

The representative of Pakistan pointed out that Danish imports of molasses from developing countries were disappointingly low and requested the withdrawal of the restriction on this item so as to allow in more imports from developing countries, such as Pakistan, which were capable of exporting substantial quantities of the product.

The delegation of Denmark explained that imports of molasses into Denmark were licensed freely without limitation and without discrimination.

12. Alcoholic beverages, alcohol and tobacco

The representative of Pakistan addressed a request to the delegation of France for the liberalization of "cigars and cigarillos" noting the low level of imports of these products from developing countries. Pakistan, he affirmed, was in a position to export considerable quantities of cigars and cigarillos of good quality.

¹The representative of Pakistan proposed that rice be included among the products to be taken up at the Group's forthcoming meeting (cf. paragraph 11 of the report of the Group).

The delegation of France explained that in France trade in tobacco, cigars and cigarettes was under a State monopoly which dated back before the signature of GATT. Although the delegation would be willing to convey the Pakistani representation to the authorities, there could be no question of the French Government doing away with the monopoly. Representatives of Pakistan in Paris could always contact the monopoly if it were the intention of Pakistan to ascertain the conditions under which Pakistani cigars could be marketed in France.

13. Residues and waste from the food industries

The representative of Pakistan observed that "bran" was an item which developing countries, including Pakistan were capable of exporting in substantial quantities but of which only insignificant amounts were imported from them as compared with imports from developed countries. He suggested that the Group should consider whether the maintenance of restrictions on this product by Austria, Denmark and Switzerland was not hindering imports from developing countries.

The representative of Austria explained that there was no discrimination in the issue of licences for this item and that liberalization might rather result in even greater imports from developed countries.

The representative of Denmark undertook to convey the remarks of the delegation of Pakistan to the Danish authorities for attention, pointing out, however, that two thirds of the imports of the product in question into Denmark came from developing countries.

14. Miscellaneous products in Chapters 1-24

No discussions.

15. Mineral products

The representative of the Republic of Korea stated that the two items ex 25.04-2 (natural graphite, amorphous) and ex 26.01 (tungsten ores) were of major export interest to his country as earners of foreign exchange and he urged the liberalization of these imports by Japan. He noted that discussions had been going on with Japan on this issue and expressed the hope that they would result in an early liberalization of these items.

The delegation of Japan assured the representative of Korea that his views would be transmitted to Tokyo for attention.

16. Chemical products

No discussions.

17. Pharmaceutical products

No discussions.

18. Leather and leather products

The representative of Pakistan noted the low level of imports by Japan from developing countries of items 41.02 (bovine animals' leather and equine animals' leather) and 41.08 (patent leather), and asked whether the delegation of Japan could throw some light on the basis on which the quotas were allocated among different sources of supply.

In response the representative of Japan stated that his delegation has had many previous occasions to explain why these restrictions were maintained and the reasons were well-known to the Group. The quotas were global quotas open to all exporting countries on an equal footing. Exporters in Pakistan were free to compete with other suppliers. While restrictions would continue to be maintained on leather goods, the quotas had been increased annually and this would continue in future.

The representative of India enquired whether the increases in quota were a deliberate policy in preparation for the removal of the restrictions. He expressed the hope that the quota restrictions would eventually be removed. The representative of Japan replied that he was not in a position to state the intention of his Government behind the quota increases. The wishes expressed by the Indian delegation would be conveyed to his Government.

19. Cork, manufactures of plaiting materials, paper and paper products

The representative of the Republic of Korea stated that bilateral discussions had been taking place between Korea and Japan on the elimination of the restrictions maintained by Japan on item ex 46.02-1 ("Waramushiro" - a kind of straw mat). Korea had a major export interest in the item and the restriction constituted a barrier to the expansion of her exports. He expressed the hope that a way out could be found for an early removal of the restriction.

In reply, the representative of Japan reiterated the hope that a mutually satisfactory solution could be found through bilateral discussion. The views of the delegation of the Republic of Korea would be transmitted to the Japanese Government.

On item ex 48.01-A (newsprint), the delegation of Pakistan stated, that although France was a big importer of newsprint, her imports from developing countries in general and Pakistan in particular had been negligible. It expressed the wish that in future more could be imported from developing countries which were capable of exporting substantial quantities of good-quality newsprint.

The delegation of France explained that trade in the product was under a State monopoly. There was no reason, however, why a greater quantity could not come from developing countries and one could be sure that any offers from Pakistan, and for that matter from any other developing country, would be sympathetically considered.

20. Textiles and textile articles

A general discussion of item ex 57.10 (jute manufactures) took place at the beginning of the current meeting (see paragraph 5 of the report by the Group). The representative of the United Kingdom, in amplification of his earlier remarks, explained that hitherto a State-trading system had been in operation under which the Board of Trade Jute Control had the monopoly to import and re-sell certain jute products either to manufacturers or to the retail market with a percentage mark-up. This system would, under the new arrangements, be replaced by a global quota system covering the same range of goods. In the opinion of his delegation this change would result in a relaxation of the restrictions and increase the access to the British market for the goods under control by about 25 per cent. Nevertheless, it was the intention of his Government to continue with the policy of gradual liberalization which had been going on since the war.

The representative of India noted that in the opinion of his delegation, the new system of control announced by the United Kingdom Government, to come into effect on 1 May 1969, constitutes an intensification of the restriction on imports into the British market. However, his Government had accepted the arrangements in the spirit of understanding of the difficulties which the British jute industry was facing and in the belief that the measures would be removed or relaxed at an early date.

Addressing himself to the European Communities, the representative of India stated that under item ex 57.10 (jute manufactures), three products were of particular interest to his country, namely, heavy sacking, hessian and carpet backing. He affirmed that with regard to heavy sacking, there was no production at all in either France or the Federal Republic of Germany and that there was therefore no justification for the maintenance of quota restrictions on this product. With regard to the two other products, he admitted that these were sensitive in view of the availability of local production. He expressed the hope that the current discussions on jute with the European Communities would be successfully concluded at an early date.

The French delegation replied that it was not in a position to give any detailed information on the negotiations going on between the Commission of the Communities and the exporting countries.

A restructuring of the jute industry in France was taking place in the direction of increased production of the more elaborate items such as mixed fibre fabrics and jute furnishing. This evolution would take several years and the negotiations going on must take account of this trend. The delegation believed however that jute products would be progressively liberalized and that imports of certain items such as heavy sacking would be increased.

The representative of Pakistan was of the opinion that in view of the negotiations going on, and in view of the complexity of the problems involved, the question of jute manufactures should not be further discussed in detail in

the Group. His Government did not visualize any sudden and total elimination of the restrictions in force in the immediate future and would rather prefer the present arrangements to continue for some time.

The representative of the Commission of the European Communities assured the delegations of India and Pakistan that their views would be reported to Brussels for attention.

In reply to the statement of the representative of India, the representative of the Federal Republic of Germany stated that imports of heavy sacking into the Federal Republic remained subject to restriction. Although there was no domestic production of sacking calling for protection from competing imports, it had been found impossible for the import control authorities and customs officials to distinguish heavy sacking from other types of jute fabrics, notably carpet backing, for which there were problems of adjustment requiring a certain measure of protection.

Item 53.11 (woven fabrics of wool and animal hair). On this item the representative of Pakistan observed that imports into Japan from developing countries were negligible as compared with imports from developed countries. Pakistan having a substantial export interest in the product, he would urge that the quota be expanded to enable Pakistan and other developing countries to increase their exports.

The representative of Japan explained that these imports were subject to a global quota which was open to all countries. It was to be regretted that imports from developing countries were rather small, but as the quota was expanded annually it was up to the developing countries to take advantage of it to increase their exports.

Item ex 58.02 (other carpets, carpeting, rugs, mats and matting). The delegation of India expressed appreciation for the fact that the Government of the Federal Republic of Germany had found it possible to eliminate the restrictions on this item. On the other hand, it expressed concern to the French delegation at the continued subjection of the item to restrictions and urged its early removal.

The delegation of France stated that it was aware of the concern of the Indian delegation and assured the meeting that its views would be conveyed to the attention of the appropriate authorities.

The representative of the United Kingdom speaking on behalf of Hong Kong, requested the inclusion in the French notification of a number of non-cotton garments and manufactures on which quota restrictions were maintained by France, namely:

- 60.04 (undergarments, knitted or crocheted, non-elastic or rubberized)
- ex 61.01 (men's and boys' outer garments)
- ex 61.02 (women's, girls' and infants' outer garments)

- ex 61.03 (men's and boys' undergarments)
- 61.05 (handkerchiefs)
- 62.02 (bed linen, table linen, toilet linen, kitchen linen)

He pointed out that the unilateral quotas applied to imports from Hong Kong of all these items were very small and their utilization was hindered by the fragmentation of licensing.

The delegation of France agreed to the inclusion of these items in so far as they applied to fabrics made of fibres other than cotton.

21. Footwear

The delegation of Pakistan indicated that Pakistan had an important export interest in footwear and as such was concerned about the restrictions maintained by Japan and the meagre level of French imports of this product from developing countries. Imports of this product by Japan from the developing countries as compared with developed countries were disappointingly low and it was to be hoped that Japan, as well as France, could see its way to increasing their imports from the developing countries.

Similar views were expressed by the representative of India, who indicated a special interest in leather footwear and asked for a more detailed breakup of the tariff items in the statistical data to be compiled by the secretariat.

In response, the French delegation stated that most of the items had been liberalized and notably all those entirely made of leather and that furthermore the delegation was not aware of any requests for imports under quota from India or Pakistan being refused and that much depends on the promotional efforts of the countries wishing to export to the French market.

The representative of Japan assured the two countries that he would convey their views to the attention of his Government. He emphasized, however, that liberalization would be difficult owing to social and economic problems faced by those engaged in this line of production.

22. Ceramic products and glass

The representative of Pakistan enquired with the delegation of France as to the reasons for which restrictions were maintained on imports of tableware of porcelain or china (69.11), noting that none of the products was imported from developing countries. Pakistan was in a position to export good-quality tableware and the maintenance of this restriction must have adversely affected Pakistani exports. He requested that the French Government be more liberal in this regard, either fixing a quota for his country or applying the restriction more liberally.

The delegation of France explained that the industry was currently undergoing restructuring, and that liberalization might be possible in future. To its knowledge, however, no application for licence from any developing country had ever been refused.

The Japanese delegation informed the Group that ground or polished glass was liberalized as of 1 April 1969.

23. Iron and steel, products of base metals

The representative of Pakistan stated that as a producer of high-quality steel and cutlery, Pakistan was capable of satisfying any sophisticated requirements. His country had a major export interest in item ex 73.15 (alloy steel and high-carbon steel), 82.09 (knives with cutting blades), and ex 82.14 (spoons, forks, etc. of stainless steel). He expressed the hope that imports of these products into France would be liberalized.

The delegation of France, in reply, informed the Group that two of the three items had been liberalized, namely ex 73.15 and part of ex 82.14 (spoons and forks) and that it might be possible in future to liberalize also the remaining part under ex 82.14 (knives).

24. Machinery and mechanical appliances including electric

The representative of the United Kingdom, speaking on behalf of Hong Kong, requested the inclusion in the list of restrictions of items 85.03 (primary batteries) and 85.10 (electric flash lamps) on which single-country quotas were maintained by France on imports from Hong Kong, but which did not appear in the French notification.

The delegation of France agreed to the inclusion of these products in the French notification.

25. Miscellaneous industrial products

No discussions.