

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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GERMAN IMPORT RESTRICTIONS

Fourth Annual Report of the Government of the Federal Republic of Germany under the Decision by the CONTRACTING PARTIES of 30 May 1959

The Federal Government herewith submits the final report under paragraph 3 of the Decision of the CONTRACTING PARTIES of 30 May 1959.

I.

In the period under review the Federal Government has taken the following measures to further relax or remove the restrictions still maintained in respect of products listed in the Annexes A to E to the Decision of 30 May 1959 vis-à-vis all those contracting parties to whom the liberalization measures are applied:

Annex A, Section C

ex 0202 Chickens, dead

With effect from 30 June 1962 imports were liberalized (Fourth Regulation of 28 June 1962 concerning the Modification of the List of Imports; see Bundesanzeiger No. 121 of 30 June 1962).

Annex B

ex 1102 Hulling mill products of grains such as wheat, oats, rice, rye, maize, buckwheat, millet of all kinds

ex 1108 Grain starch, except rice starch

With effect from 30 July 1962 imports are no longer subject to any quantitative restrictions. Imports are, however, subject to licence, which will be granted automatically (Regulation No. 19 of the Council of the European Economic Community dated 4 April 1962 providing for the Institution of the System of Levies and for the Progressive Establishment of a Common Organization of Markets in the Cereal Sector (see Bundesgesetzblatt Part II No. 16 of 14 June 1962, page 710).

Annex E

ex 0103 Pigs for slaughter

ex 0201 Half of pig, fresh or chilled or frozen

As of 31 July 1962 these products are no longer subject to any quantitative restrictions (Regulation No. 20 of the Council of the European Economic Community of 4 April 1962 providing for the Institution of the System of Levies and for the Progressive Establishment of a Common Organization of Markets in the Pork Meat Sector (see Bundesgesetzblatt Part II, No. 16 of 14 June 1962, page 719).

ex 1001) Wheat, rye

1002) Barley, oats

1003) Maize, rice

1004) Buckwheat and

1005) Millet of all kinds

ex 1007)

ex 1101 Flour of wheat, rye, barley, oats, maize, rice, buckwheat or millet of all kinds

ex 1102 Meal and groats of wheat, rye, barley, oats, maize, buckwheat and millet of all kinds

ex 2302 Residues from the processing of cereals, except meal of rice for animal feeding

ex 2307 Prepared animal food, mainly containing organic substances
* according to EEC Regulation No. 19, except dog biscuits

With effect from 30 July 1962 imports of such products are not subject to any quantitative restrictions. An import licence, however, is required and will be issued automatically (Regulation No. 19 of the EEC Council of 4 April 1962 providing for the Institution of the System of Levies and for the Progressive Establishment of a Common Organization of Markets in the Cereals Sector (see Bundesgesetzblatt Part II, No. 16 of 14 June 1962, page 710).

II.

In respect of the products listed in Annex C the following increased global quotas were made available for imports in 1962 (Bundesanzeiger No. 209, of 28 October 1961 and No. 87 of 8 May 1962):

DM

Jute fabrics, jute sacks and bags for packaging	9,500,000.-
Imitations of genuine pearls ...	122,000.-
Boxcalf leather, dressed ...	2,180,000.-
Boxcalf leather non-dressed	1,040,000.-

The reasons put forward for maintaining import restrictions still apply.

III.

In the year under review the Federal Government has endeavoured to increase its quotas and to administer them as liberally as possible. The Federal Government has conducted consultations with interested contracting parties within the framework of governmental negotiations or through diplomatic channels concerning the extent of the German import restrictions and their impact on the exports of the parties participating in the consultations. As a result of these consultations the interested countries' sales opportunities in the German market have generally improved. Apart from this, additional import possibilities under global quotas were offered autonomously during the year under report in so far as the respective situation permitted. This applies for instance to molasses, Lucerne green meal, processed vegetable oils, unskimmed milk powder as well as preserved vegetables and fruit.

IV.

In its previous reports the Federal Government stated that the steady increase of imports into the Federal Republic of Germany was due to its liberal import policy. In 1961 this trend continued as may be seen from the following figures. In this connexion, however, it should be borne in mind that on comparing import values of 1961 with those of previous years allowance must be made for the 5 per cent revaluation of the Deutsche Mark, which became effective on 6 March 1961, i.e. last year's volume of imports has actually increased more than the import values show.

Total imports rose from DM 42,722.6 million in 1960 to DM 44,363.6 million in 1961, i.e. by 3.8 per cent, thus exceeding by 42.5 per cent the import values in 1958 the year preceding the Decision (of 30 May 1959).

In the food sector (except coffee and tobacco) imports rose from DM 9,922.2 million in 1960 to DM 10,339.8 million in 1961. Thus the rate of increase amounted to 4.2 per cent compared with the previous year and to 27.6 per cent as against 1958 and the total value of imported goods which are still subject to quantitative restrictions under the Marketing Laws increased from DM 957.1 million in 1960 to DM 968.7 million in 1961, figures equal to a rate of increase of 1.2 per cent compared with the previous year and to 74.7 per cent against 1958 (see Annex 1). Food imports which are not subject to the Marketing Laws but still subject to quantitative restrictions

reached DM 1,151.5 million in 1960 and DM 1,361.4 million in 1961. Imports of those goods have thus increased by 18.2 per cent compared with the corresponding total of the previous year and by 56.7 per cent against the figure of 1958 (see Annex 2).

In the industrial sector (including coffee and tobacco) imports rose from DM 32,800.4 million in 1960 to DM 34,023.4 million in 1961, i.e. by 3.7 per cent as against the previous year and by 47.8 per cent against 1958. Of these imports, products listed in Annex A, Section D amounted to DM 1,711.6 million in 1960 and to DM 1,811.6 million in 1961, corresponding to a rate of increase of 5.8 per cent against 1960 and to 65.3 per cent against 1958 (see Annex 3). The share in the aforementioned totals of products listed in Annex C aggregated DM 59.8 million in 1960 as against 84.7 million in 1961. Thus, imports have increased by 41.6 per cent compared with 1960 and exceeded by 105.6 per cent the imports of 1958.

Liberalized imports increased in 1961 by 3.3 per cent, whereas imports of foodstuffs rose by 2.5 per cent and imports of products of the industrial sector by 3.5 per cent.

V.

Since the CONTRACTING PARTIES' Decision of 30 May, 1959 will expire at the end of the twentieth session, a review of the progress made in the recent years with regard to the relaxation of quantitative restrictions in the Federal Republic of Germany seems appropriate. Developments show that the Federal Government has endeavoured to fulfill conscientiously the obligations imposed by the waiver granted by the CONTRACTING PARTIES on 30 May 1959 and has been successful in its efforts to promote its trade with the contracting parties of GATT, in line with its liberal trade policy and to offer their products the largest possible outlet on the German market. To this end, the liberalization measures as provided for in Annex A, Section A, B and C of the waiver have been carried out within the specified time-limits, in fact, in some cases before these dates - with only one exception¹ which is, however, of minor importance. The products listed in Annex A, Section D of the waiver have been repeatedly made the subject of consultations with chiefly interested contracting parties; these consultations were conducted in a friendly spirit and with a view to coming to an understanding. As mentioned before, general agreement was reached on the progressive liberalization of a number of the products dealt with in the present document as well as on the increase of the quotas in respect of the remaining products. Global quotas increasing annually since 1959 have been granted at the envisaged level in respect of the products included in Annex C of the waiver. Likewise, de facto-liberalization of products subject to Marketing Laws, with one minor

¹ ex 0515 Shrimps, dried

exception¹, has been carried out according to the schedule laid down in Annex D of the waiver. Finally, as regards the products enumerated in Annex B and E of the waiver, the Federal Government has endeavoured to abolish restrictions or in cases where this has been impossible to offer foreign products an adequate access to the German market. As to this group of products, the Federal Government has repeatedly held consultations with contracting parties who are interested in the sale of such products and taken the fullest possible account of their representations.

To sum up, it can be stated that during the period of validity of the waiver considerable progress has been made by the Federal Republic in removing quantitative restrictions. The table in Annex 4 gives a general survey.

The increasing liberalization and the liberal administration of restrictions still maintained are reflected in the trend of imports, which have steadily grown in the past few years as may be seen from statistics.

The share of products still fully or partly subject to import restrictions in total imports of the Federal Republic amounts to as little as about 9 per cent against 20 per cent at the date the waiver was granted. Five per cent represent agricultural products and 4 per cent industrial products. If one excludes cotton textiles, in respect of which a multi-lateral arrangement has been reached through the agreement that has taken effect on 1 October 1962, the total percentage drops to 7 per cent of which 2 per cent relate to industrial products. The extent of the restrictions applied is, however, actually by far smaller than those percentages show, because a substantial part of imports, in particular of industrial products is effected free from restrictions also in the sector still subject to quotas.

The remaining quantitative restrictions will be further reduced. The Federal Government has - as is well-known - promised to liberalize by the end of 1964 part of the industrial products which are still subject to quantitative restrictions. But in the agricultural sector too, substantial changes are to be expected as an EEC common agricultural policy materialises, which, in principle, aims at removing the quantitative restrictions and at replacing them by a system of levies.

Notwithstanding this development the Federal Government will continue its efforts to apply the remaining restrictions as liberally as possible. It is prepared at any time to enter into consultations with interested contracting parties and to meet their wishes as far as possible.

¹ ex 0302 Herrings and herring fillets, salted or in brine.

List of Annexes

(Circulated as MGT(62)21)

- ANNEX 1 Products listed in Annexes D (residual items) and E: imports by countries of origin
- ANNEX 2 Products listed in Annexes A (residual items) and B: imports by countries of origin
- ANNEX 3 Products included in Section D of Annex A: imports in 1958, 1959, 1960 and 1961.
- ANNEX 4 List of products from which, since 1959, quantitative restrictions have been removed.