maintains, as a temporary measure, certain quota restrictions against goods originating in Japan or Hong Kong. Some 28 different commodities are affected, falling for the most part into the groups: cotton fabrics, other fabrics, textile yarns, and rubber manufactures. Apart from these regulations applying to the entire customs union, Belgium, Luxembourg, and the Netherlands maintain individual restrictions on some agricultural products, such as, corn and wheat from all sources. The Netherlands requires an individual license for the import of coal, while Belgium-Luxembourg has a country quota.

FRANCE

In 1960, France notified the contracting parties to the GATT that it was no longer applying import restrictions for balance-of-payments reasons. Since that announcement, the French Government has been liberalizing trade barriers by systematic reductions in her quantitative restraints. This system divides the world into three groups: the first group includes the United States, Canada, and countries belonging to the OEEC; the second group, the Sino-Soviet bloc and the Arab bloc; the third group constitutes all other countries. The number of items liberalized for group 1 is very extensive and by 1962 it is expected that it will encompass all industrial products. The number of items liberalized for group 2 is very limited. The number for group 3 is larger than that for group 2, but it is still relatively small.

Items which are not liberalized from any source that appears on the commodity list are:

Wheat	Coal
Rice	Crude oil
Coffee	Paper and paper products
Sugar	Electrical machinery and appliances
Tobacco	Road motor vehicles
Corn	Aircraft and parts
Dairy products [1]	Other transport
Meat	

[1] France discriminates against the dollar area on granting licenses to import eggs.

FEDERAL REPUBLIC OF GERMANY

Germany maintains quantitative import restrictions on a few industrial products, and on a number of state-traded agricultural products. It controls trade in such items by individually validated import licenses. GATT has granted Germany a waiver to maintain these restrictions, but this waiver expires in 1962. With the exception of meats, licenses are granted freely to most of the industrialized Western countries. As a result of this, the expiration of the waiver should not place Germany in a difficult position, except with regard to Japan. Japanese goods are still discriminated against in many instances. However, a German-Japanese trade protocol provides for the liberalization of certain items to Japan, contingent in some cases on Japanese voluntary export controls.