

such items. There is also the "automatic fund allocation" method, which requires individually validated licenses for items on the "AFA" list. These items are usually in the process of being liberalized to the "AA" method, and licenses are virtually automatically granted. Finally, there is the "exchange fund allocation" method, which also demands individually validated licenses for all items on the "EFA" list. It is usually very difficult to obtain a license for products in this category. In 1960, 42 percent of the total imports were admitted under the "AA" list, 2 percent under the "AFA" list, and 56 percent under the "EFA" procedure. A 3-year liberalization program was announced by the Japanese Government in June 1960, which would increase the "AA" and "AFA" lists to approximately 85 percent of the total imports by 1963. This liberalization program is also going to combine the "AA" and "AFA" lists into one free list.

The items requiring an "EFA" license on the commodity list are:

Wheat	Tractors
Rice	Office machinery
Dairy products	Metalworking machinery
Sugar	Iron and steel manufactures
Tea	Rubber manufactures
Tobacco	Electrical machinery
Coal	Scientific instruments
Crude oil	Railroad vehicles
Organic chemicals	Road motor vehicles
Inorganic chemicals	Aircraft and parts
Pigments and paints	Other transport
Fertilizers	Cotton fabrics
Power generating machinery	Other fabrics
Agricultural machinery	Textile yarn