

TABLE 27

JAPAN		JAPAN	
Product	Type of Restriction	Estimated Impact on U.S. Trade	Trade Agreement Status
<u>Non-agricultural Quantitative Restrictions</u>			
As of March 1967, coal; gas oils, heavy fuel and raw oils, and other petroleum oils; some chemicals and pharmaceutical products; leathers (excluding raw) and leather products, especially footwear; alcoholic beverages; color film; some alloy tool steels; large steam boilers and turbines, some types of diesel engines, and certain large electric generators; internal combustion engines and parts, and certain large electric generators; aircraft and aircraft motors and parts; including digital type computers and parts; among other items, still in under the Import Quota (IQ) Licensing system.	Quota-Import (Licensing)	Negligible to moderate; severe for leather products. Import figures impossible to obtain for these items since many of them are "ex" out items and do not show (in statistics) in any identifiable manner.	Illegal and not negotiable
			Much progress has been made in persuading Japan to remove import items from the "Negative List", as the Import Quota (IQ) items have come to be known. Information necessary to the application for individual quotas is publicly announced from time to time by the Ministry of International Trade and Industry. However, under the IQ licensing system, which replaced the former Fund Allocation system, individual quotas are, in principle allocated on the basis of past performance. The liberalization of imports in Japan has nevertheless evolved rapidly in the course of the last several years. There has also been progress in making the remaining restrictions more flexible, especially in the continuous efforts to increase the quotas for import licensing.